

2024 UNIVERSAL REGISTRATION DOCUMENT

Including the Annual Financial Report



CONTENTS

INTRODUCTION

Safran at a glance	2
Editorial	4
Presentation of the Group	6
CSR policy	10
Strategy and business model	14

1 PRESENTATION OF THE GROUP, REVIEW OF OPERATIONS IN 2024 AND OUTLOOK FOR 2025 19

1.1	Safran overview	20
1.2	Group businesses AFR	25
1.3	Investments AFR	54
1.4	Sites and production plants	60
1.5	Comments on the Group's performance in 2024 based on adjusted data and outlook for 2025 AFR	61
1.6	Comments on the consolidated financial statements AFR	69
1.7	Comments on the parent company financial statements AFR	71

2 CORPORATE GOVERNANCE **AFR** 73

2.1	Safran's corporate governance structure	75
2.2	Membership structure of the Board of Directors	80
2.3	Operating procedures and work of the Board of Directors and the Board Committees	122
2.4	Application of the AFEP-MEDEF Corporate Governance Code	139
2.5	Directors' interests in the Company's share capital	140
2.6	Compensation policies and compensation packages for corporate officers	142

3 FINANCIAL STATEMENTS **AFR** 185

3.1	Group consolidated financial statements at December 31, 2024	187
3.2	Statutory Auditors' report on the consolidated financial statements	256
3.3	Parent company financial statements at December 31, 2024	262
3.4	Statutory Auditors' report on the financial statements	289
3.5	Other information	293

4 RISK FACTORS **AFR** 297

4.1	Risk management	298
4.2	Internal control system	301
4.3	Risk factors	303
4.4	Insurance	320

5 SUSTAINABILITY STATEMENT AND SUMMARY DUTY OF CARE PLAN **AFR** 323

5.1	Sustainability statement	324
5.2	Duty of care plan (Summary)	447

6 INFORMATION ABOUT THE COMPANY, THE CAPITAL AND SHARE OWNERSHIP 451

6.1	General information and bylaws AFR	452
6.2	Information on share capital AFR	460
6.3	Share ownership AFR	465
6.4	Relations with shareholders	469
6.5	Stock market information AFR	470
6.6	Credit ratings	470

7 ANNUAL GENERAL MEETING 473

7.1	Agenda	474
7.2	Report of the Board of Directors on the resolutions proposed to the Annual General Meeting and text of the proposed resolutions AFR	475
7.3	Statutory Auditors' reports presented to the Annual General Meeting of May 22, 2025	513

8 ADDITIONAL INFORMATION 521

8.1	Persons responsible	522
8.2	Statutory Auditors	523
8.3	Historical financial information	523
8.4	Documents on display	524

9 APPENDICES 527

9.1	Cross-reference tables	528
9.2	Glossary	535



AFR Information from the Annual Financial Report is clearly identified in the contents by the AFR symbol

The 2024 Integrated Report can be found on Safran's website www.safran-group.com



2024

UNIVERSAL REGISTRATION DOCUMENT

Including the Annual Financial Report



The Universal Registration Document in French was filed on March 28, 2025 with the French financial markets authority (*Autorité des marchés financiers* – AMF) as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said Regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market together with any amendments, if applicable, and a securities note and summary approved by the AMF in accordance with Regulation (EU) 2017/1129. The English language version of this report is a free translation from the original, which was prepared in French. In all matters of interpretation, views or opinions expressed in the original language version of the document in French take precedence over the translation.

The annual financial report included in the Universal Registration Document is a translation of the official version of the annual financial report in format ESEF (European Single Electronic Format) and is available on the issuer's website. This document is a translation into English of the Universal Registration Document.



Our core purpose

“Thanks to the commitment of our employees, proven innovation and operational excellence, Safran designs, builds and supports high-tech solutions to contribute to a safer, more sustainable world, where air transport is more environmentally friendly, comfortable and accessible. We also apply our skills to develop solutions that meet strategic needs, such as defense and access to space.”

FOREWORD

All figures in this integrated report represent adjusted data, except where noted. See section 1.5.1 of the 2024 Universal Registration Document for a reconciliation of the consolidated income statement with the adjusted income statement and a breakdown of the adjustment.

3rd

GLOBAL
AEROSPACE
GROUP,
EXCLUDING
AIRFRAMERS*

99,364
employees
(at December 31, 2024)

€3,189
million
free cash flow

€4,119
million
recurring operating income
Margin at 15.1% of revenue,
up 150 basis points

€1,043
million
CapEx

€27,317
million
revenue
up 17.8% on 2023

€1,980
million
total R&D
(including customer-funded R&D)

Long-term credit
rating:
**A- with stable
outlook (S&P)**

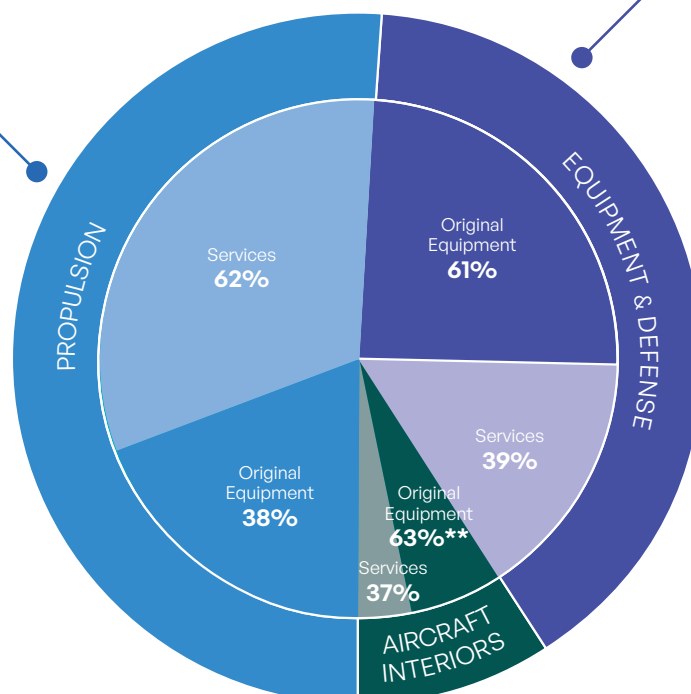
OUR ACTIVITIES

**BREAKDOWN OF 2024
REVENUE BY SEGMENT**

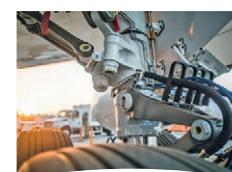


PROPULSION

€13.7 billion
revenue
€2.8 billion
recurring operating
income
20.6%
recurring operating
margin



EQUIPMENT & DEFENSE



€10.6 billion
revenue
€1.3 billion
recurring operating
income
12.2%
recurring operating
margin

AIRCRAFT INTERIORS



€3.0 billion
revenue
€27 million
recurring operating
income
0.9%
recurring operating
margin

* Classification criteria: revenue – source: Safran.
** Including retrofit activities.



“With the conviction that the challenges involved in decarbonizing the aviation industry require a strong combination of innovation and responsibility, the Board of Directors endeavors to uphold the Group’s technological leadership, investing today for sustainable growth that meets the industry’s decarbonization objectives.”

Ross McInnes — Chairman of the Board of Directors

“The Safran success draws on talent, innovation, operational excellence, cutting-edge technologies and an absolute priority on quality and safety. This puts the Group in a strong position from which to drive a sustainable change in aviation, and above all meet the needs of our partners and customers.”

Olivier Andriès — Chief Executive Officer

MESSAGE from the Chairman of the Board of Directors and the Chief Executive Officer

Safran achieved exceptional financial performance in 2024, with revenue, recurring operating income and free cash flow reaching unprecedented levels. These results, in line with or ahead of forecasts, confirm the robustness of our business model in a global context of persistent supply-chain difficulties and geopolitical uncertainties.

In 2024, we celebrated a historic milestone with the 50th anniversary of CFM International, our emblematic partnership with GE Aerospace. This marks five decades of success and innovation at the service of global aviation. Achievements on the commercial front in 2024 included strategic contracts with easyJet, Akasa Air and American Airlines. The success of the LEAP engine strengthens our position as world leader in short- and medium-haul propulsion. The order backlog stands at over 11,500 engines, and the LEAP fleet is growing twice as fast as that of the CFM56 engine.

Significant new program milestones included the entry into service of the Gulfstream G700, equipped with Safran nacelles, and the Airbus A321XLR, equipped with LEAP engines. This progress illustrates our ability to meet the needs of a fast-changing sector. In addition, the certification of two new helicopter engines in China extended our presence in strategic high-growth markets.

In the defense and space sectors, Safran consolidated its role as a strategic partner. Our contribution to European sovereignty was illustrated by the maiden flight of Ariane 6, Serbia's order for Rafale, and delivery of the first production Patroller drone to the French army. In addition, our SkyJacker anti-drone solution played a key role in ensuring security at the Paris 2024 Olympic and Paralympic Games. We are continuing to move ahead on our decarbonization trajectory. Inauguration of the BeCOVER testbed in Belgium for full-scale testing of RISE compressors and wind-tunnel testing for our Open Fan engine, mark a key step towards more sustainable aviation. Recent EASA certification for the ENGINEUS 100 electric motor, a world first, also testifies to our commitment to pushing the boundaries of technological innovation.

Our digital transformation efforts also made major advances in 2024. Our capabilities in cutting-edge technologies were further strengthened by the launch of ACE, our embedded AI solution for defense applications, and the integration of Safran.AI following the acquisition of Prelligen.

At Safran's Capital Markets Day (CMD) in 2024, the Group presented its financial and strategic ambitions for 2028, and its main objectives for the coming years: a smooth transition from CFM56 to LEAP engines, the ramp-up of original equipment and MRO activities, and a targeted innovation strategy for decarbonization. Safran has also reaffirmed its objective of increasing returns to its shareholders while investing massively in the technologies of the future.

With the rollout of "Safran Together", our new behavioral framework rooted in trust, innovation and commitment, we reassert our determination to shape an ambitious and respectful future for the Group and its employees.

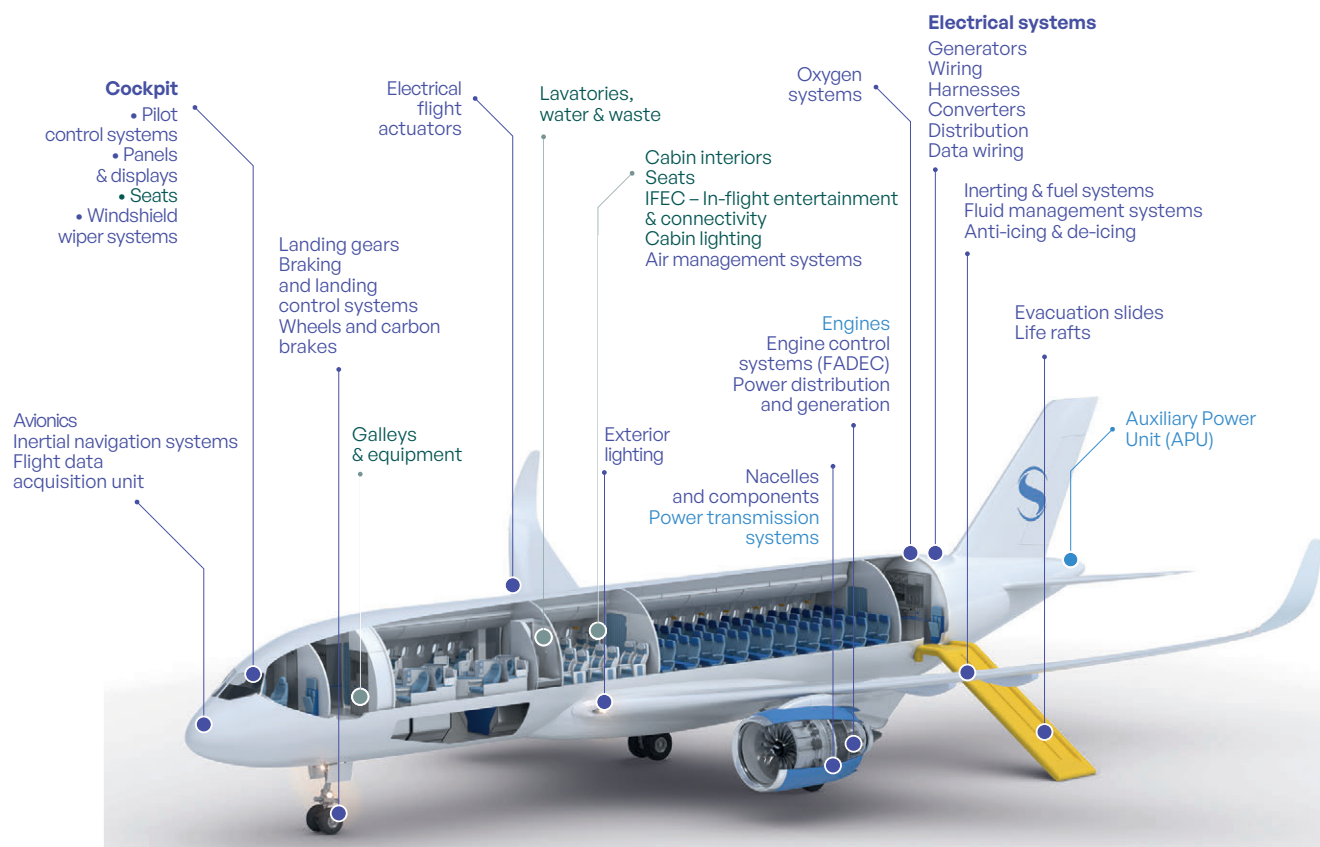
In 2025, Safran will be celebrating its twentieth anniversary and the centenary of Sagem, now Safran Electronics & Defense. A key event for the aerospace sector in 2025 will be the Paris Air Show, where we will be spotlighting our latest innovations and our contribution to the future of sustainable aerospace. This major event provides a valuable showcase for our technological leadership and will allow us to demonstrate our commitment to building a sustainable future, remaining true to our rich heritage. We are determined to keep ramping up production, recruiting the best talent, and above all meeting our customers' expectations.

We would like to thank you for your trust and hope you enjoy reading this report.

Ross McInnes and Olivier Andriès

A comprehensive offering

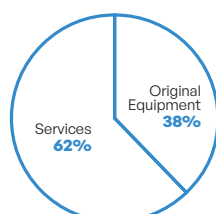
Present across the whole aircraft, Safran aims to build the future of the global aerospace sector and be the preferred partner of airframers, airlines, leasing companies and armed forces. Safran products are critical for flight safety.



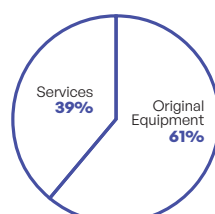
OE/SERVICES BREAKDOWN OF 2024 REVENUE



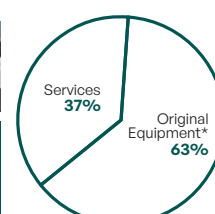
PROPULSION



EQUIPMENT & DEFENSE



AIRCRAFT INTERIORS



* Including retrofit activities.

(1) Safran is present in all engine components and all segments of the propulsion market.

(2) Supplier Furnished Equipment: equipment specified and purchased by the airframer.

(3) Buyer Furnished Equipment: equipment specified and purchased by the airline.

PROPULSION

A fully-fledged engine manufacturer,⁽¹⁾ Safran supplies airframers with engines for commercial aircraft, military aircraft and helicopters. To increase cost efficiency and share risks, engine manufacturers often develop their engine programs in partnership. Safran has notably partnered with GE Aerospace since the 1970s, when they set up the 50/50 joint venture **CFM International** that has developed the **CFM56®** and **LEAP®** engines. The partnership has been extended through to 2050. Safran also contributes to space access through its 50% stake in the ArianeGroup joint venture.

50%
of Group revenue
in 2024

€13.7 billion
revenue

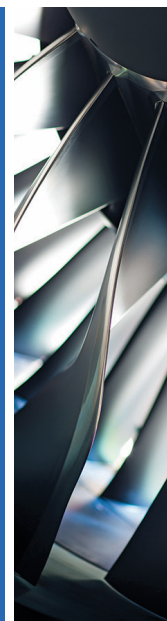
29,782
employees

STRATEGIC POSITIONS

No. 1 worldwide
in engines powering single-aisle mainline commercial jets (through CFM, a joint venture with GE Aerospace)

No. 1 worldwide
in helicopter turbine engines

Strong positions
in European combat and military transport aircraft programs



EQUIPMENT & DEFENSE

Safran is one of the world's leading suppliers of safety and other mission critical equipment for aerospace and defense applications: landing, steering and braking systems; nacelles; electrical systems; and engineering solutions. Safran's **Aerosystems division** also offers safety systems (slides, oxygen masks, on-board oxygen generation, etc.) and fluid management systems. In the defense sector, Safran offers a diversified portfolio of products adapted to battlefield transformation: optronics, avionics, navigation, tactical drones, electronics and critical software. In 2024, the Group acquired Preligens, now Safran.AI, to develop new applications of artificial intelligence in aerospace and defense.

39%
of Group revenue
in 2024

€10.6 billion
revenue

48,846
employees

STRATEGIC POSITIONS

No. 1 worldwide

- landing gear
- wheels and carbon brakes for 100+ seat civil aircraft
- electrical wiring
- evacuation slides

No. 2 worldwide

- oxygen systems
- nacelles and power transmission systems

No. 1 in Europe

- navigation and optronics



AIRCRAFT INTERIORS

To ensure passenger safety and optimize comfort, Safran develops cabin interiors, passenger and crew seats, water and waste management systems, in-flight entertainment systems (RAVE™), and interior retrofit for commercial aircraft. The Aircraft Interiors business addresses both airframers and operators.

11%
of Group revenue
in 2024

€3.0 billion
revenue

16,644
employees

STRATEGIC POSITIONS

No. 1 worldwide
with strong positions in cabin interiors (mainly SFE⁽²⁾) and seats (BFE⁽³⁾), especially business class seats



A leading global player

SAFRAN'S GLOBAL FOOTPRINT enables it to establish strong and sustainable relationships with its customers and the majority of aerospace players and airlines, reflecting the Group's desire to offer local and rapid customer service.

Nearly

100,000

employees across
some 30 countries

26%

Americas

25,363
employees

 55  29  11

GEOGRAPHIC LOCATION OF EMPLOYEES AND SITES AT END-2024⁽¹⁾

Percentage of employees
out of the total Group workforce

NUMBER OF SITES⁽²⁾



R&D and
production
activities



Service, maintenance
and repair activities



Commercial and
administrative activities and
representative offices

61%

Europe

(51% in France)

60,968
employees

 103  20  29

5%

Asia and Oceania

5,473
employees

 9  11  4

8%

Africa and Middle East

7,560
employees

 11  2  2

(1) Illustration by country of the workforce at December 31, 2024 of companies (i) more than 50% directly or indirectly owned by Safran and (ii) with more than 10 employees. The scope of reporting for the sites covers companies consolidated by Safran as of December 31, 2024.

(2) Each site corresponds to a legal entity covering one or more tertiary, production, service or maintenance sites.

A CSR⁽¹⁾ policy rooted in a collective ambition

”

Sustainably
changing
aviation,
contributing
to a safer
world.

ACT FOR THE ENVIRONMENT

1. Decarbonize aeronautics
2. Respect the environment and natural resources
3. Promote the circular economy

2024 HIGHLIGHTS

- 45% reduction in Scope 1 and 2 CO₂ emissions compared to 2018 (base year)
- 93% of Safran's energy consumption has achieved "Gold" ranking on the in-house energy management scale (based on the ISO 50001 standard)
- Several solar power installations commissioned to self-supply certain sites in Belgium, France, India, Mexico and the United States
- EASA certification for the ENGINeUS™100 engine
- Safran remains in the CDP (formerly Carbon Disclosure Project) Climate A List
- Launch of the Sustainability Academy training platform for all our employees

Through its objectives and commitments
and the related actions, Safran actively contributes
to 13 of the 17 United Nations Sustainable
Development Goals (SDGs).



(1) Corporate social responsibility.
(2) Safran SA, Safran Aerosystems, Safran Electrical & Power, Safran Landing Systems, Safran Seats, Safran Transmission Systems, Safran Aircraft Engines, Safran Electronics & Defense, Safran Helicopter Engines and Safran Cabin.
(3) French National Institute of Intellectual Property.

Safran's CSR policy, overseen at the Group's highest governance level, is the outcome of joint work with stakeholders and reflects the Group's core purpose. It was updated in 2024, with commitments reorganized into three main areas, designed to be a key lever driving the Group's strategy and business model, combining profitability and responsibility.

BE AN EXEMPLARY EMPLOYER

4. Ensure health and safety of employees, improve the quality of life at work and maintain a thriving social dialogue
5. Continue developing skills and support our local communities
6. Encourage equal opportunities and foster inclusion & diversity

2024 HIGHLIGHTS

- More than 18,000 hires
- Almost 30 training hours per employee
- Launch of the Living and Working with Chronic Illness program
- Signature of European Family and Working Life Agreement with the IndustriALL trade union federation
- Evaluation of health and safety culture by all Group companies (over 80% employee participation rate)

EMBODY RESPONSIBLE INDUSTRY

7. Uphold exemplary ethics and ensure respect for human rights
8. Strengthen responsible practices in our supply chain and support our suppliers
9. Be at the forefront of innovation and foster partnerships for training and research

2024 HIGHLIGHTS

- ISO 37001 certification for the anticorruption programs of ten companies⁽²⁾
- Rollout of EcoVadis solution to strengthen supplier CSR performance assessment
- Among the top three patent filers in France over the past ten years, according to INPI⁽³⁾
- Number one employer of PhD students in France, through industrial training-through-research agreements (CIFRE) for the 2018-2024 period



Committed employees

Safran is determined to meet the challenges of the aerospace industry's transformation, including climate change, digitalization and new societal expectations. The Group is actively involved in building a more sustainable future as a key player in the transition toward low-carbon aviation. A project of this magnitude demands a diversity of talents, united by an exceptional team spirit, a determination to rise to any challenge, and the ambition to write a new chapter in the history of aerospace.

NEARLY
100,000

EMPLOYEES AT END-2024

91%

of Group employees
attended at least one
training session
in 2024

5.8%

of share capital
held by current
and former
employees

30%

of Group
employees
are women

A RECOGNIZED EMPLOYER BRAND

16th place
IN THE CAPITAL 2025
RANKING OF FRANCE'S
500 BEST EMPLOYERS



ENSURE HEALTH
AND SAFETY,
IMPROVE THE
QUALITY OF LIFE
AT WORK AND
MAINTAIN A THRIVING
SOCIAL DIALOGUE



A HUMAN RESOURCES POLICY ROOTED IN
THREE COMMITMENTS that define a common
identity and working framework

CONTINUE
DEVELOPING SKILLS
AND SUPPORT
OUR LOCAL
COMMUNITIES

ENCOURAGE EQUAL
OPPORTUNITIES,
INCLUSION AND
DIVERSITY

Safran together

By ensuring that everyone is able to contribute effectively to our growth objectives and thrive in a constantly changing environment, Safran Together contributes to employee development and supports the Group's major transformations.

It is founded on four key principles: succeeding together, fostering an environment of trust, daring to innovate and committing to a shared vision. Safran Together, launched in 2024, is designed to guide Group employees and inspire everyday behavior.

Safran's business model

RESOURCES

A PORTFOLIO OF ACTIVITIES ALIGNED WITH MARKET NEEDS

- **50%** Aerospace Propulsion
- **39%** Equipment & Defense
- **11%** Aircraft Interiors

RELEVANT AND DIFFERENTIATING SOLUTIONS

- Among the top three patent filers in France over the past ten years

A RESILIENT BUSINESS MODEL

- **50%** aftermarket activities

AN AMBITIOUS CSR POLICY

- Act for the environment
- Be an exemplary employer
- Embody responsible industry

CLIMATE TARGETS VALIDATED BY SBTi

COMMITTED AND TALENTED EMPLOYEES

- **An estimated 100,000** employees
- **29 training hours** on average per year per employee

A SOLID FINANCIAL POSITION

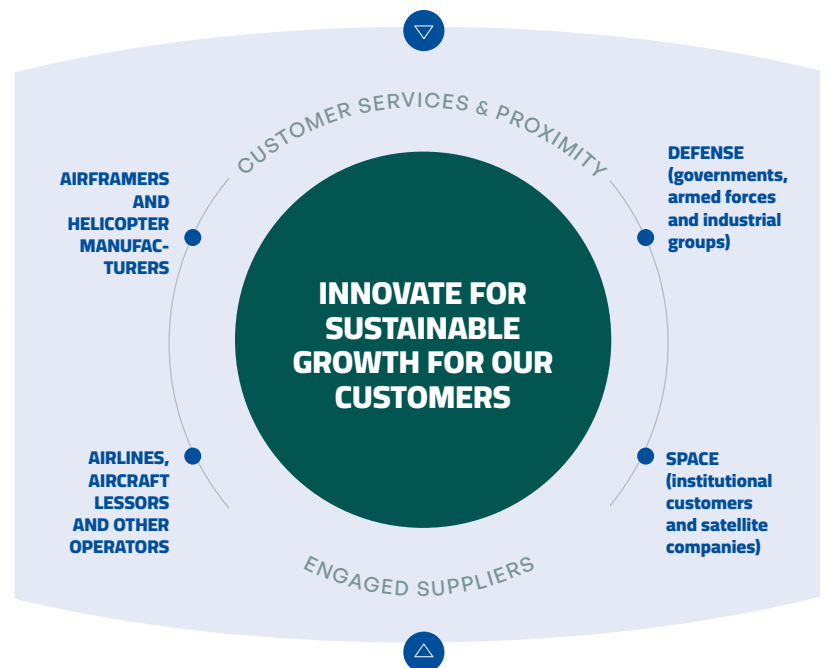
STRATEGY

Ensuring flight safety, customer satisfaction
and well-being in the workplace

STRATEGIC FOCUSES

Decarbonize products
and operations

Strengthen role
in sovereignty



Stepping up
sustainable
innovation

**Strengthening operational
excellence** by leveraging
digital technology and
artificial intelligence

MAJOR ASSETS

MACROTRENDS



Growth
in air traffic

VALUE CREATION

CUSTOMERS

- **€27.3 billion** (2024 revenue)
- Safe, reliable, available, efficient, innovative and competitive products and services

EMPLOYEES

- **€7.8 billion** (2024 personnel costs)
- Attractive working conditions and social model including value-sharing

SUPPLIERS

- **€16 billion** (2024 purchases)
- Sustainable procurement and supplier relations label

SHAREHOLDERS

- TSR⁽¹⁾ 2005-2024: **up 14.5%** a year
- 2024 dividend (paid in 2025): **€2.90/share***

GOVERNMENTS

- **€1 billion** (current tax expense 2024)
- The world's best technology serving **national, European and allied sovereignty** and French nuclear deterrence

INVESTMENTS FOR FUTURE GROWTH

- **5%** of revenue invested in self-funded R&D in 2024
- **88%** of self-funded R&T spend allocated to environmental efficiency
- **€1 billion** in capital expenditure

(1) TSR: Total Shareholder Return

CONTRIBUTION to the UN SDGs



* Subject to shareholder approval at the Annual General Meeting of May 22, 2025.

A detailed presentation of Safran's business model is given in the Universal Registration Document, section 5.1.1.3

Decarbonization
of aviation

Defense/sovereignty
global dynamic

Safran's ambitions

Safran is well positioned to meet the growth dynamic in the aerospace industry thanks to its global leadership positions, unique technology portfolio, operational excellence, accelerated investments in low-carbon aviation, strong employee engagement and solid financial structure.

Main assumptions for the 2025 outlook

(at constant scope of consolidation, EUR/USD spot rate of 1.10, hedge rate of 1.12)

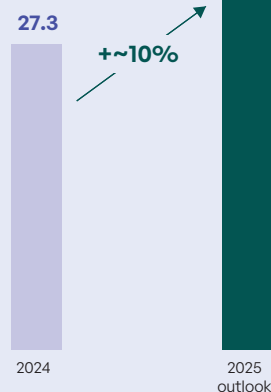
- LEAP engine deliveries: up by 15-20%
- “Spare parts” revenue for all civil aircraft engines (in USD): up by around 9%
- “Services” revenue for all civil aircraft engines (in USD): up by around 15%

The free cash flow outlook is subject to the payment schedule of certain advance payments and the rhythm of payments by state-clients, and includes an estimated negative impact of €380 to €400 million from the French corporate surtax.

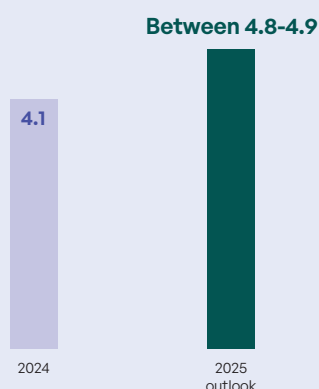
These 2025 forecasts exclude any potential impact of new tariffs implementation.

The main risk factor remains the supply chain production capabilities.

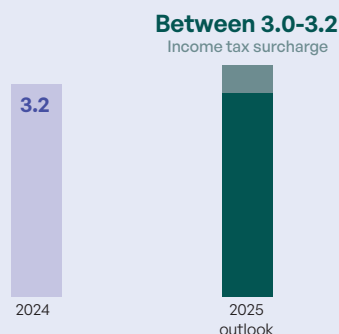
REVENUE
(in € billions)



RECURRING OPERATING INCOME
(in € billions)



FREE CASH FLOW
(in € billions)



2028 ambitions

ADJUSTED REVENUE

7-9% CAGR⁽¹⁾
OVER THE 2024-2028
PERIOD

Propulsion and Equipment & Defense: 5% to 9%

- Growth in air traffic
- Defense budgets
- Production ramp-up
- Price

Aircraft Interiors: 7% to 9%

- Production ramp-up
- Cabin retrofit campaign
- Price

ADJUSTED RECURRING OPERATING INCOME & MARGIN

€6-6.5 billion
(2028e)
CAGR⁽¹⁾ **10-13%**

Propulsion: over 20% each year 2024 to 2028

- Volume/Mix
- Price
- CFM56-LEAP transition
- Military engines

Equipment & Defense: ~15% for 2028

- Volume
- Mix
- Productivity

Aircraft Interiors: ~10% for 2028

- Volume
- Price
- Cost reduction
- Operational efficiency

FREE CASH FLOW

€15-17 billion
(on a cumulative basis
over 2024-2028e)
AVERAGE CONVERSION
RATIO 65-70%

- EBITDA growth
- Improving inventory turns
- Rafale net advanced payments utilization
- Capital expenditure growth
- Payment of the surtax in French corporate tax for an estimated amount, at December 5, 2024, of around €500 million over two years (2025/2026)

(1) CAGR: Compound Annual Growth Rate.

A clear roadmap

- ◆ Overarching priority to product safety and quality
- ◆ Enhancing supply chain resilience
- ◆ Ramp-up for original equipment and MRO
- ◆ Smooth aftermarket transition from CFM56 to LEAP
- ◆ Growth in Defense and Space equipment business
- ◆ Disciplined investment in growth and innovation, with a particular focus on decarbonization and next-generation aircraft
- ◆ Sustainable and growing earnings and cash flow and increasing return for shareholders



1

PRESENTATION OF THE GROUP, REVIEW OF OPERATIONS IN 2024 AND OUTLOOK FOR 2025

1.1	SAFRAN OVERVIEW	20	1.5	COMMENTS ON THE GROUP'S PERFORMANCE IN 2024 BASED ON ADJUSTED DATA AND OUTLOOK FOR 2025 AFR	61
1.1.1	History	20			
1.1.2	Simplified operational organization chart	22	1.5.1	Reconciliation of consolidated data with adjusted data	61
1.1.3	Main Group companies by business sector	23	1.5.2	Overview of the Group's performance in 2024	64
1.1.4	Organization and position of the issuer in the Group	24	1.5.3	Adjusted key figures by business	67
1.1.5	Strategic priorities	24	1.5.4	Full-year 2025 outlook	67
1.2	GROUP BUSINESSES AFR	25	1.5.5	Roadmap and medium-term ambitions	68
1.2.1	Propulsion	25	1.5.6	Portfolio management	68
1.2.2	Equipment & Defense	35	1.5.7	Subsequent events	68
1.2.3	Aircraft Interiors	49	1.6	COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS AFR	69
1.2.4	Competitive position	53	1.6.1	Consolidated income statement	69
1.3	INVESTMENTS AFR	54	1.6.2	Consolidated balance sheet	70
1.3.1	Research & Development	54	1.6.3	Change in consolidated net debt	70
1.3.2	Industrial investments	57	1.7	COMMENTS ON THE PARENT COMPANY FINANCIAL STATEMENTS AFR	71
1.4	SITES AND PRODUCTION PLANTS	60	1.7.1	Income statement	71
			1.7.2	Balance sheet	71
			1.7.3	Proposed appropriation of 2024 profit	71

1.1 SAFRAN OVERVIEW

1.1.1 History

A look back at our history

With a rich history spanning over 100 years, Safran has made leading-edge technology its hallmark.

1905

Société des Moteurs Gnome is founded in the Paris suburb of Gennevilliers. Gnome rotary engines become the standard for planes around the world.

1912

Creation of Société des Moteurs Le Rhône, Gnome's main competitor before being taken over by its rival.

1925

Creation of Société d'Applications Générales d'Électricité et de Mécanique (Sagem) that will mainly manufacture cameras and artillery equipment and go on to design the world's first infrared guidance system for air-to-air missiles.

1945

Gnome & Rhône is nationalized and renamed Snecma (Société Nationale d'Étude et de Construction de Moteurs d'Aviation).

1945-2002

Several aerospace companies join Snecma: Hispano-Suiza, a specialist in power transmission for aircraft engines, followed by Messier-Hispano-Bugatti, a specialist in landing gear.

In 2000, wiring specialist Labinal and its helicopter engine manufacturer subsidiary Turbomeca join Snecma.

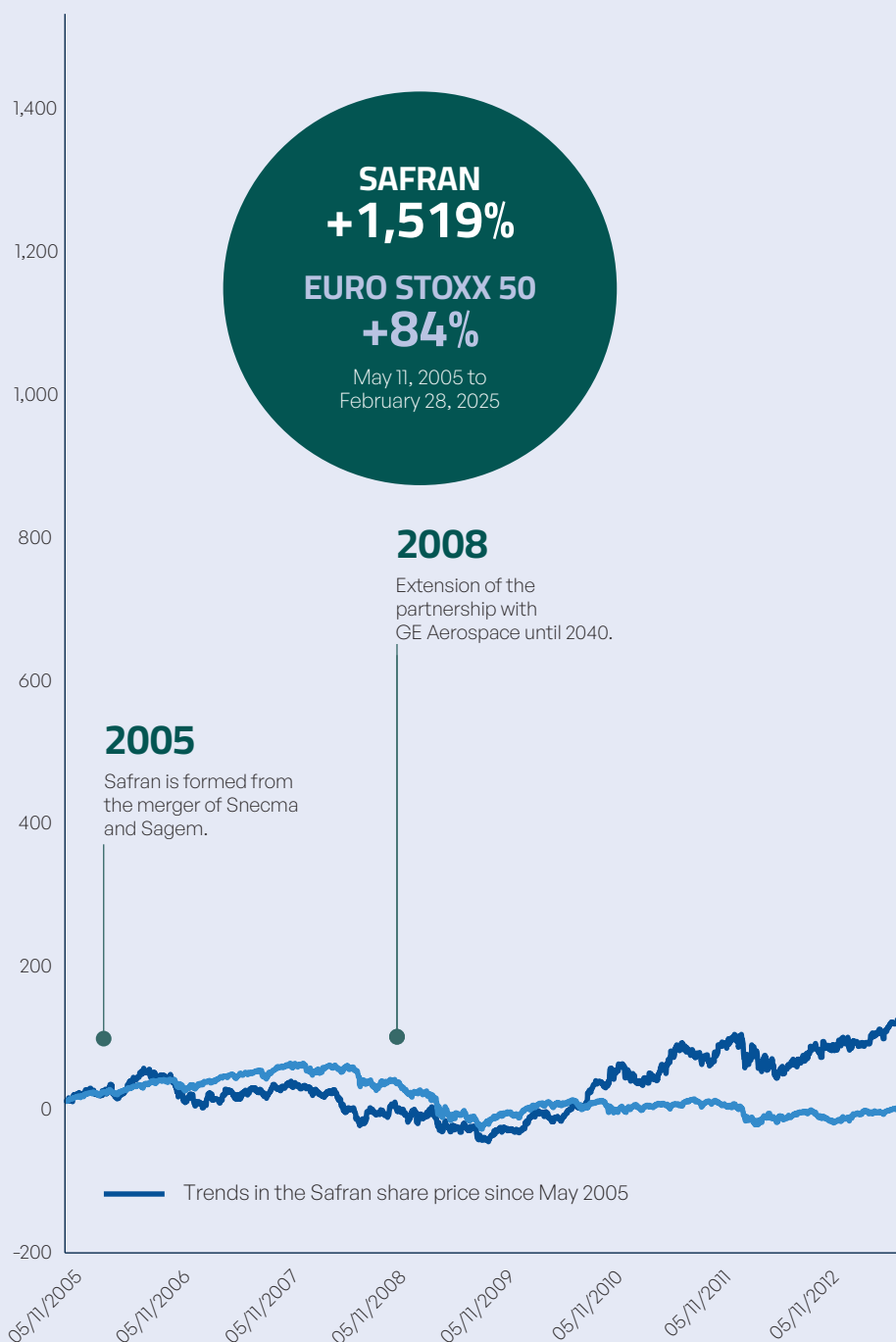
In 2002, nacelles specialist Hurel-Dubois joins Snecma.

1974

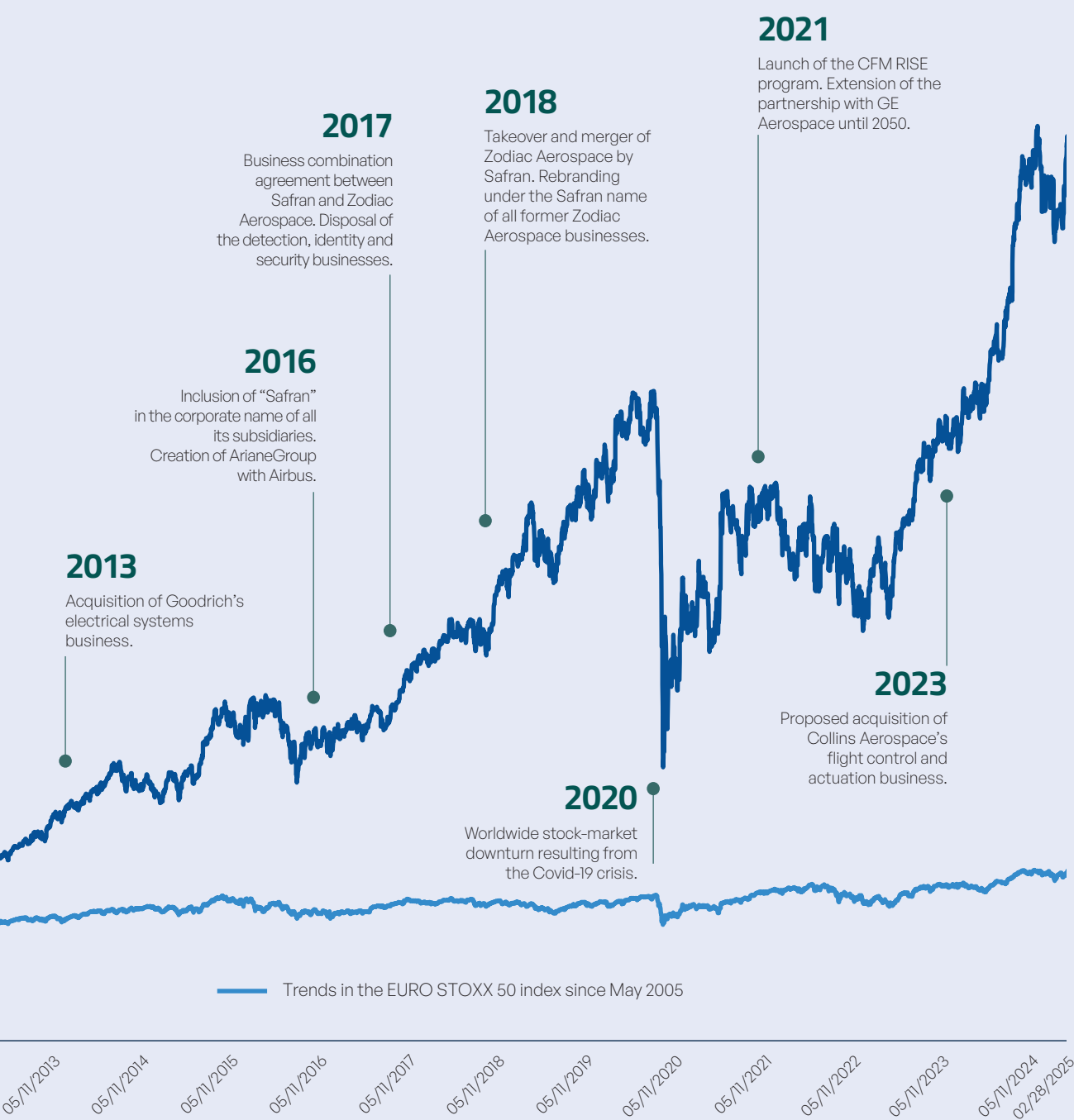
Snecma becomes a civil aircraft engine manufacturer through a cooperation agreement with GE for the manufacture of the CFM56 engine.

TRENDS IN THE SAFRAN SHARE PRICE AND THE EURO STOXX 50 INDEX

(May 11, 2005 – February 28, 2025)
(as a %)

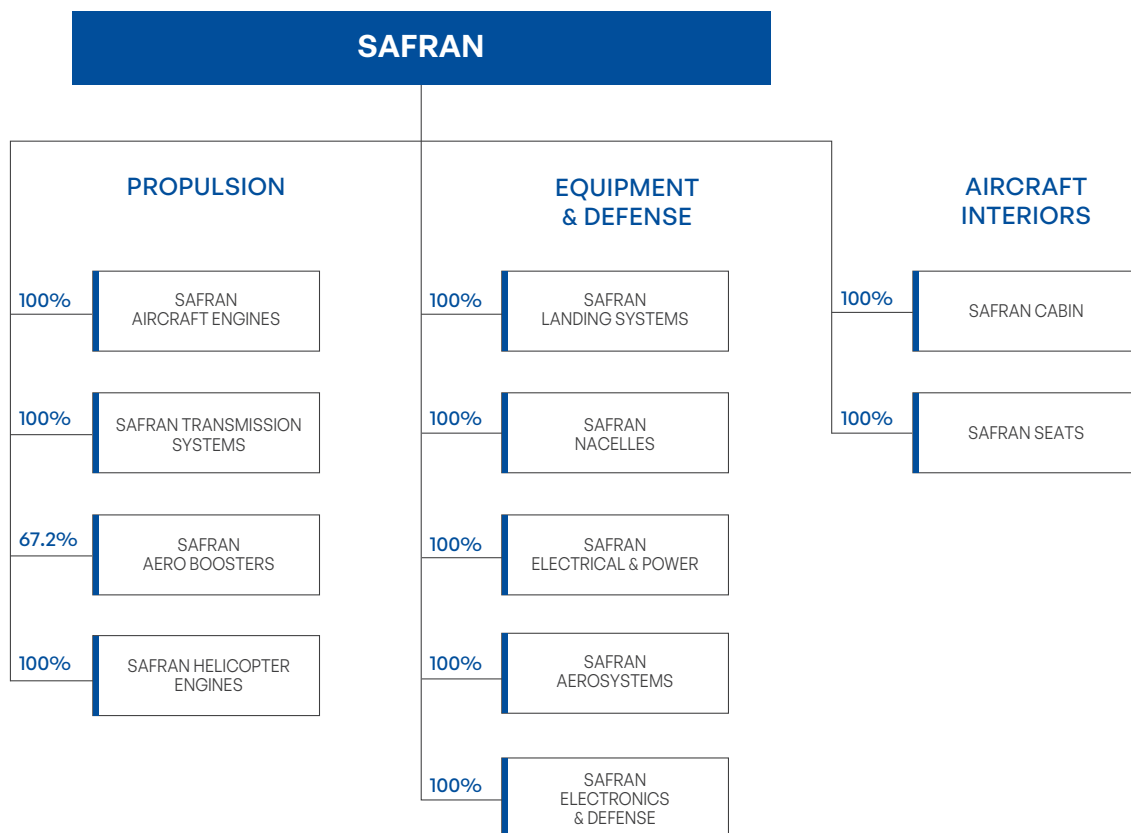


SAFRAN CELEBRATES ITS TWENTIETH ANNIVERSARY IN 2025.



1.1.2 Simplified operational organization chart

Safran SA, the issuer, is the parent company of the Group. At December 31, 2024, the simplified organization chart of the Group’s tier-one operating companies was as follows:



The list of consolidated companies is presented in section 3.1, Note 9.

1.1.3 Main Group companies by business sector

Safran today covers three main markets: Propulsion, Equipment and Defense, and Aircraft Interiors.

Propulsion

Safran Aircraft Engines

Engines for civil and military aircraft. Capabilities covering the entire product cycle, from design, development and production through to support, services, maintenance and repair.

Safran Transmission Systems

High-performance power transmission systems for civil and military airplane and helicopter engines, as well as for new air mobility solutions, with accessory drive trains and gearboxes, and turbofan, turboprop and hybrid propulsion reduction gearboxes. Capabilities covering the entire lifecycle of power transmission systems, from design and production to maintenance, repair and overhaul (MRO). Mechanical components for airplane and helicopter propulsion systems.

Equipment & Defense

Safran Landing Systems

Aircraft landing, braking and taxiing systems. Related control and monitoring systems. Capabilities covering the entire product cycle, from design and production to maintenance, repair and overhaul (MRO).

Safran Nacelles

Aircraft nacelles for all civil aviation market segments: commercial aircraft of more than 100 seats, regional and business jets. Proficiency in systems integration, aerodynamics, acoustics and composite and metal materials, with capabilities covering the entire product cycle, from design and production to maintenance, repair and overhaul (MRO).

Safran Electrical & Power

Electrical power systems for the aerospace market, covering all onboard electrical functions (power generation, distribution and conversion, wiring, components, load management). Electric engine systems and hybridization of propulsion systems. Engineering solutions.

Aircraft Interiors

Safran Cabin

Cabin interiors for regional, medium-haul, long-haul, business and military aircraft. Integrated cabins, overhead bins, galleys, lavatories and crew rest areas. Environment control and ventilation systems, water and waste management systems, lighting and cabin electronics management systems, and engineering services for cabin interior refits for commercial and private aircraft. Capabilities covering the entire product cycle, from design and production to maintenance, repair and overhaul (MRO).

Safran Aero Boosters

Low-pressure compressors and lubrication equipment for aircraft engines. Test cells and equipment for engine testing. Regulation valves for space engines.

Safran Helicopter Engines

Engines for aircraft (chiefly civil, semi-public and military helicopters), auxiliary power units (APUs), starting systems for civil and military aircraft, and propulsion systems for missiles, target drones and unmanned aerial vehicles (UAVs). Maintenance, repair and overhaul (MRO), and support and related services.

Safran Aerosystems

Systems for aircraft and helicopters: safety, evacuation and flotation systems, oxygen systems, fuel management and distribution systems, and fluid management systems. Capabilities covering the entire product cycle, from design and production to maintenance, repair and overhaul (MRO).

Safran Electronics & Defense

Equipment, systems and services that deliver intelligence to the civil and military programs they equip and allow them to assess environments (observe), ease cognitive load (decide) and guarantee trajectories (guide): optronics, high-performance optics, RF systems, avionics, navigation, electronics, electromechanics, electric propulsion, critical software and drones. Land, sea, air and space applications. Customer support for all applications.

Safran Seats

Passenger seats for economy, premium economy, business and first class, technical seats for flight-deck and cabin crew, helicopter seats. Capabilities covering the entire product cycle, from design and production to maintenance, repair and overhaul (MRO).

1.1.4 Organization and position of the issuer in the Group

Organization

Safran is an industrial group, within which each tier-one subsidiary directly manages the operational aspects of its business activities, both its own and those of its subsidiaries, and is responsible for implementing internal control systems in accordance with Group procedures and internal rules.

The organizational structure is based on:

- Safran, the parent company and issuer, responsible for the Group's strategic management, organization and development;

- companies handling specific business lines, under strategies determined by the parent company's Board of Directors. Executive Management of the parent company ensures that the strategic orientations defined for each business line are implemented and complied with at the operational level.

Tier-one entities (shown in section 1.1.2) are responsible for overseeing the subsidiaries with which they have operational ties.

Role of the issuer within the Group

As the Group's parent company, Safran performs the following functions for the Group companies:

- it holds and manages shares in the Group subsidiaries;
- it leads the Group and drives its growth by (i) determining the Group's strategic vision, including the sustainability strategy; (ii) defining the research and technology (R&T) policy, tax policy, legal and financial policy, quality, purchasing and industrial performance policies and human resources policy; and (iii) overseeing employee training, retraining and skills matching by Safran University, communications and operations control;
- in particular, it provides Group companies with:
 - support services on legal, taxation and financial matters, and in particular:
 - centralized cash pooling to manage cash needs and surpluses more effectively across the Group,

- foreign currency management policy to reduce uncertainty factors and protect the economic performance of operating subsidiaries from random foreign currency fluctuations (mainly US dollars),
- tax consolidation, in jurisdictions such as France where Safran is liable for the entire income tax charge, additional income tax contributions and the minimal tax charge due by the tax group comprising itself and its tax-consolidated subsidiaries;
- services through Shared Services Centers (SSCs) in France in the following areas: payroll administration and management, recruitment, non-production purchases, materials purchases, IT, and some transaction accounting (customers, suppliers and fixed assets).

Financial flows between the issuer and Group companies

Safran receives dividends paid by its subsidiaries in compliance with applicable regulations (see section 3.3, Note 4.4).

It receives payment for services provided to Group companies, and invoices them for services provided through the SSCs (see section 3.3, Note 4.1).

1.1.5 Strategic priorities

Safran's strategic priorities for generating earnings and cash flow growth in the medium term and ensuring a fair return to shareholders are as follows:

- absolute priority: product safety and quality above all;
- strengthening supply chain resilience;
- effectively managing the ramp-up for original equipment and MRO (Maintenance, Repair and Overhaul);
- ensuring the smooth transition of aftermarket services between CFM56® and LEAP® engines;
- accelerating growth in the Defense and Space equipment business in a changing military context;

- leveraging innovation to give Safran a keystone position in the decarbonization effort and preparing for the next generation of aircraft;
- maintaining a disciplined investment policy to prepare for the future;
- pursuing a controlled, targeted M&A strategy and streamlining the portfolio.

1.2 GROUP BUSINESSES

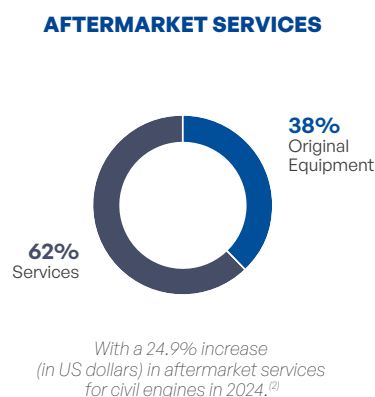
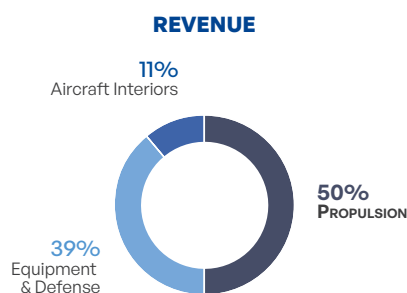
1.2.1 Propulsion

A full-fledged engine manufacturer⁽¹⁾, Safran supplies airframers with engines for commercial aircraft, military aircraft and helicopters. To increase cost efficiency and share risks, engine manufacturers often develop their engine programs in partnership. Safran has partnered with GE Aerospace (United States) since the 1970s, when they set up the 50/50 joint venture CFM International, which develops the CFM56 and LEAP engines. This partnership has been extended through to 2050. Safran also contributes to access to space through its 50% stake in the ArianeGroup joint venture.

This business comprises four main segments:

AIRCRAFT ENGINES	26
■ Engines for civil and military aircraft	
HELICOPTER ENGINES	29
■ Engines for light, medium-weight and heavy helicopters	
■ Auxiliary power units, turbojet engines for missiles and target vehicles	
MECHANICAL POWER TRANSMISSION SYSTEMS	30
LAUNCH VEHICLES – ARIANEGROUP (OWNED 50/50 BY SAFRAN AND AIRBUS)	30
■ Civil and military space activities	
■ Products, equipment and services	

Adjusted key figures



(in € millions)

	2023	2024	2024/2023 change
Revenue	11,876	13,652	+15%
Recurring operating income	2,390	2,819	+18%
Profit (loss) from operations	2,338	2,793	+19%
Free cash flow ⁽¹⁾	2,700	2,616	-3%
Acquisitions of property, plant and equipment ⁽²⁾	411	569	+38%
Self-funded R&D	570	644	+13%
Headcount ⁽³⁾	27,901	29,782	+7%

(1) Free cash flow is equal to cash flow from operating activities less changes in working capital and acquisitions of property, plant and equipment and intangible assets.

(2) Net of proceeds from disposals.

(3) Registered at December 31, including fixed-term and permanent contracts.

(1) Safran is present in all engine components and all segments of the propulsion market.

(2) Civil aftermarket (expressed in USD): this non-audited performance indicator comprises spare parts and MRO (Maintenance, Repair & Overhaul) revenue for all civil aircraft engines for Safran Aircraft Engines and its subsidiaries only, and reflects the Group's performance in civil aircraft engines aftermarket.

1.2.1.1 Aircraft engines

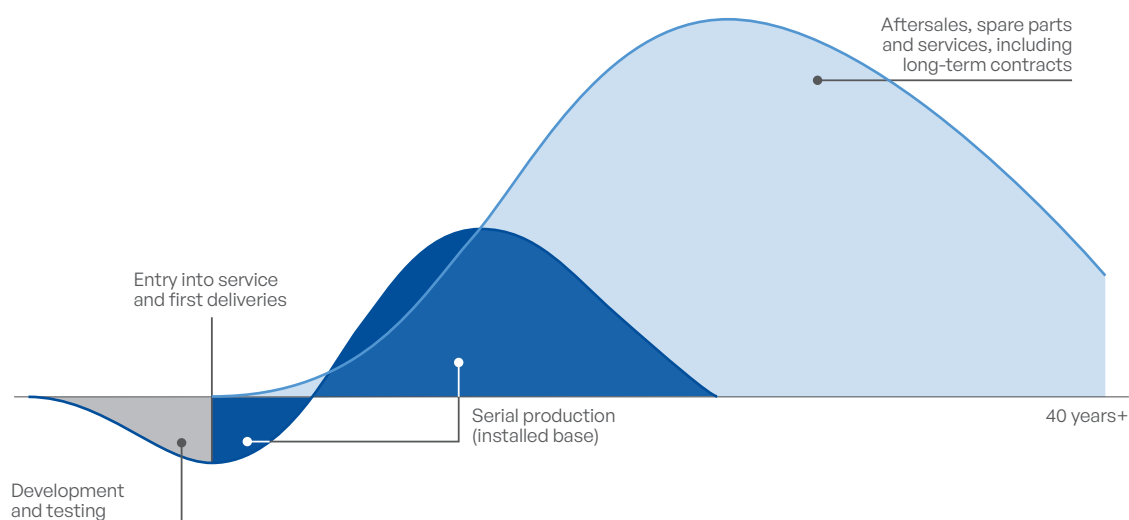
Civil aircraft engines

Key characteristics of the business sector

In response to airframers' requirements for specific engines for civil aircraft, engine manufacturers invest in engine programs comprising two types of activity:

- original equipment, involving the sale of engines installed on new aircraft;
- aftermarket, comprising the sale of spare parts and service contracts entered into on a case-by-case or long-term basis with operators and approved maintenance centers.

ECONOMIC LIFE CYCLE OF AN AIRCRAFT ENGINE PROGRAM⁽¹⁾



In addition to the engine program lifecycle as such, we have research and technology (R&T) expenses, mostly self-financed, which begin several years upstream of development.

These programs may span more than 40 years and have several phases. A significant portion of revenue generated by these programs comes from aftermarket services. The US dollar is practically the exclusive transaction currency in this sector, which features four major engine manufacturer prime contractors: GE Aerospace, Pratt & Whitney (United States), Rolls-Royce (United Kingdom), and Safran.

Alliances and partnerships

Given the high degree of investment involved in each new engine program, Safran often works in partnership with other engine manufacturers, through joint ventures in some cases. In 1974, for example, CFM International was formed as a 50/50 joint venture with GE Aerospace to develop engines for short- to medium-haul aircraft. The partnership has been extended through to 2050.

They can also be based on contractual risk-and-revenue-sharing agreements, under which Safran receives a share of revenue from the final delivered product and the sale of related spare parts, corresponding to its share in the program. For example, this kind of arrangement applies on high-thrust engine programs such as CF6, GE90, GEnx, GP7200 and GE9X.

Group products and programs

The Group's operations in the civil aircraft engines segment mainly involve Safran Aircraft Engines and Safran Aero Boosters.

(1) Graph for illustrative purposes only, excluding R&T.

Low-thrust civil engines (8,000 to 18,000 pounds of thrust)

In this engine range, which concerns regional aircraft (36 to 100 seats) and business jets, Safran operations involve participation in two main programs:

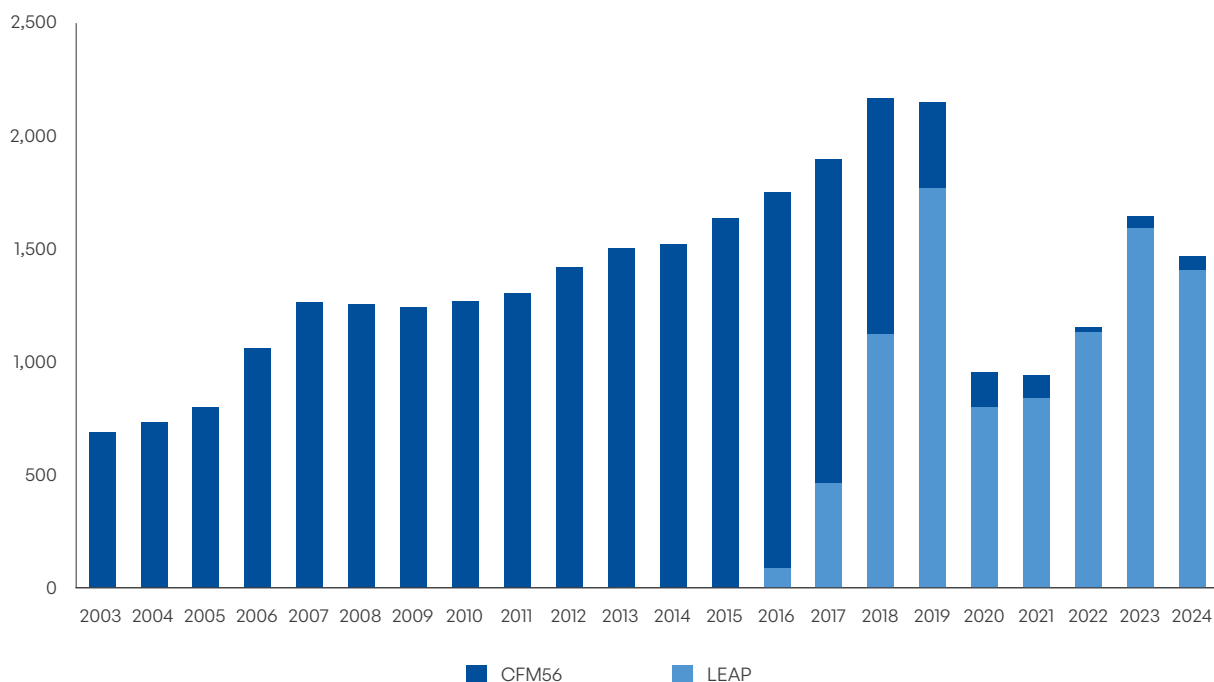
- CF34-10 (9.3%), for Embraer 190 and COMAC C909 regional jets;
- Passport (7.4%) for Bombardier business jets Global 7500 and Global 8000 (Canada).

Safran also offers its Silvercrest engine for business jets. The maturity demonstration phase for this engine, which incorporates innovative technologies, is now complete.

Medium-power civil engines (18,000 to 50,000 pounds of thrust)

For short- and medium-haul aircraft (100 to over 200 seats), the Group's involvement in the CFM56 and LEAP programs has developed under cooperation agreements by CFM International, a 50/50 joint venture between Safran and GE Aerospace.

NUMBER OF PRODUCTION-STANDARD CFM56 AND LEAP ENGINES MANUFACTURED



CFM56 engines power single-aisle commercial aircraft from Airbus (A320ceo family⁽¹⁾) and Boeing (United States) (Boeing 737 Classic and Boeing 737 NG families). This is the world's best-selling engine today, with close to 34,000 units delivered and an operating base⁽²⁾ of around 31,700 engines (including some 23,000 CFM56-5B/7B second generation engines, which generate the majority of aftermarket activities for this program).

LEAP engines have so far been selected for use on three aircraft:

- the LEAP-1A version is one of the two engine options for the new Airbus A320neo aircraft family, the other being the PurePower PW1000G developed by Pratt & Whitney;
- the LEAP-1B version is the sole engine for the Boeing 737 MAX;
- the LEAP-1C version, as the sole Western source for the propulsion system (engine plus nacelle) on China-based COMAC's C919 aircraft.

In 2024, the CFM56 and LEAP engine programs (including spare parts, maintenance and repair sales) generated 66% of Safran's Propulsion revenue.

High-power civil engines (over 50,000 pounds of thrust)

In this engine range, the Group operates as a risk and revenue sharing partner of GE Aerospace. Safran's stake ranges from 7% to 24% in several engine programs currently in series production, including:

- the CF6-80C powering the Boeing 767 (10%), and the GE90 powering the Boeing 777 (23.7% for the GE90-115 version currently in production);
- the GEnX (7.7%) for version 1B on Boeing 787 long-haul aircraft, and the future GE9X engine (11.2%), the exclusive engine for the new Boeing 777X long-haul aircraft, scheduled to enter service in 2026.

Safran is also involved in programs that now generate only spare parts and repair business, such as the GP7200 engine (17.5%) powering the A380, the CF6-80E (19.4%) powering the A330, and the GEnX-2B (7.3%) powering the Boeing 747-8.

(1) Competition to power the Airbus A320ceo aircraft family comes from the V2500 engine made by the IAE consortium (Pratt & Whitney, MTU Aero Engines in Germany and Japanese Aero Engines Corp in Japan).

(2) Engines in operation equals engines delivered (including engines in storage) less engines dismantled or scrapped.

Safran is involved in the LM6000 gas turbine program (related to the CF6 engines), both in production and aftersales support, with a stake ranging from 4.4% to 15.9% depending on the turbine version. On the LM9000 gas turbine program (for the GE90 engine), Safran supplies the high-pressure compressor and associated spare parts.

Spare parts and services for civil aircraft engines

Aftermarket operations primarily involve the sale of spare parts and the provision of maintenance and repair services. Spare parts are sold directly to third-party service centers. For services, contracts are invoiced by flight hour, providing airlines with long-term visibility for their engine maintenance expenditure.

Military aircraft engines

Key characteristics of the business sector

The military aviation sector comprises three main segments:

- fighters;
- training and support aircraft;
- patrol, tanker and transport aircraft.

As in the civil aviation sector, military aircraft engine programs break down into three phases. The first phase is the engine development and qualification phase. It is followed by the production phase, which involves equipping the newly manufactured aircraft. The third phase is the longest and involves the aftermarket, which comprises the sale of spare parts, maintenance and repair activities, plus other customer services through to the end of the engine service life.

In the military engine market, the four Western end-to-end engine manufacturers are: Safran, GE Aerospace, Rolls-Royce and Pratt & Whitney. Alliances and partnerships between engine manufacturers can be formed to bring together the best technological and commercial assets, share the risks involved in development, and meet the needs of international programs.

Group products and programs

Safran's operations in the military aircraft engines segment mainly involve Safran Aircraft Engines and Safran Helicopter Engines. Other Group companies, such as Safran Aero Boosters, Safran Electronics & Defense, Safran Transmission Systems, Safran Nacelles and Safran Aerosystems, are also involved in the military aircraft engine sector, through the production of components.

Fighter engines

Historically linked to Dassault Aviation, Safran's operations in this segment mainly involve the M88 program (7.5 metric tons of thrust) powering the Rafale, the M53-P2 program (9.5 metric tons of thrust) powering all versions of the Mirage 2000, and the ATAR program (5 to 7.1 metric tons of thrust) powering the Mirage III, 5 and F1 families.

As part of the Future Combat Air System (FCAS) program⁽¹⁾ undertaken by the French, German and Spanish governments, Safran Aircraft Engines and MTU Aero Engines (Germany), through their EUMET (European Military Engine Team) joint venture⁽²⁾, are designing the engine for the New Generation Fighter (NGF) with their partner ITP Aero (Spain). The sixth-generation twin-engine NGF developed by Dassault Aviation and Airbus will come into service with the three countries' air forces in the 2040's.

For the Pratt & Whitney F135 engine (17.8 metric tons of thrust) powering the Lockheed Martin F35 military aircraft, Safran has signed two MoU (Memorandum of Understanding) agreements with this American engine manufacturer: on a research and technology project for production of structural parts, and on a new manufacturing technology for engine components.

Training and support aircraft engines

Safran's activity in this segment is based on the following programs:

- the Adour engine (2.3 to 3.7 metric tons of thrust), which now powers primarily the BAE Systems Hawk (United Kingdom) and the Boeing T-45A Goshawk trainers;
- the Larzac engine (1.4 metric tons of thrust), powering Dassault Aviation's twin-engined AlphaJet trainers (program generating revenue solely through spare parts and repairs today).

Patrol, tanker and transport aircraft engines

Activity in this segment is based on the following programs:

- the CFM56 engine powering military versions of the Boeing 707, the Boeing KC135 tanker aircraft, the Boeing C-40 transport aircraft, the Boeing P-8 Poseidon MMA (Multimission Maritime Aircraft), and the Boeing AEW&C (Airborne Early Warning & Control) aircraft;
- the Tyne turboprop engine that powers Atlantique 2 maritime patrol aircraft (program generating revenue solely through spare parts and repairs today);
- The 11,600 hp TP400 turboprop engine, to power the Airbus A400M European military transport aircraft.

Spare parts and services for military aircraft engines

Aftermarket operations for military aircraft consist of new spare parts, maintenance and repair for engines and parts, and user support services. Safran thus offers customers contracts ranging from the simple sale of spare parts through to comprehensive services on operational fleet upkeep. These activities are directly linked to the aircraft needs of governments using military aircraft.

(1) The Future Combat Air System (FCAS) is a joint European program to develop a new-generation combat air system, combining a New Generation Fighter (NGF) aircraft by 2040 with a wide array of interconnected and interoperable elements such as drones, and based on artificial intelligence.

(2) 50%-owned by each partner.

1.2.1.2 Helicopter engines

Key characteristics of the business sector

In the helicopter engine market, we find wide diversity in applications and end-users. The market splits into civilian fleets, generally small in size, and larger military fleets.

Helicopter engine size is determined mainly by airframe weight and mission type. Helicopters may have one, two or sometimes three engines, which leads to a wide variety of engines and related versions.

The Group addresses this diversity with applications in the following segments:

- government and semi-public: medical and emergency services, police, firefighting and border control;
- military: transportation, attack and ground support, rescue and maritime patrol;
- civil: airborne work (helicopter transport, refueling, civil engineering), private transport and tourism, offshore oil.

The helicopter engine market, like the civil aviation market, has two components:

- sale of engines to helicopter manufacturers for installation in new airframes (original equipment);
- aftermarket activities based on spare part, maintenance and repair contracts with operators and specialized companies, requiring a major global customer support network with local reach, given the large number of users and the helicopter's limited radius of action.

The majority of major Western aerospace manufacturers are also present in the helicopter engine market: Safran, GE Aerospace, Pratt & Whitney Canada, Rolls-Royce and Honeywell (United States). Safran ranks number one in the sector, with a market share of 35%⁽¹⁾.

Group products and programs

Through Safran Helicopter Engines, Safran covers all of the helicopter engine categories. With new hybrid electric systems capable of powering the helicopters of the future, Safran Helicopter Engines also contributes to the development of new aircraft concepts and engine compatibility with SAF⁽²⁾, the use of which it is promoting in the helicopter market.

Safran also fields a range of auxiliary power units for missiles and targets, through Safran Power Units. Auxiliary power units are non-propulsive systems that generate energy on an aircraft for powering onboard systems, on the ground in particular, as well as starting engines.

Engines for light helicopters

For single-engine helicopters from 1.5 to 3.5 metric tons and twin-engine helicopters from 2 to 5 metric tons, Safran offers two engine families: Arrius (450 to 750 shp⁽³⁾) and Arriel (650 to more than 1,000 shp).

Engines for medium-weight helicopters

For helicopters from four to six metric tons, Safran's 1,300 shp Arrano engine offers helicopter operators 15% lower fuel consumption than the previous generation of engines in service today.

For helicopters from 5 to 7 metric tons, Safran covers the military market for combat helicopters, with the MTR390 (1,250 to 1,450 shp), developed jointly with Rolls-Royce, MTU Aero Engines and ITP Aero.

For helicopters from 5 to 8 metric tons, Safran's Ardiden range of engines covers power ratings from 1,400 to 2,000 shp.

Engines for heavy-lift helicopters

On the market for heavy helicopters (9 to 15 metric tons), Safran offers Makila engines (1,800 to 2,100 shp), RTM322 engines (2,100 to 2,600 shp) and the new Aneto family of high-power engines, with models covering a power range from 2,500 to over 3,000 shp.

Spare parts and services for helicopter engines

As in civil aviation, Safran has an international organization for helicopter engines, offering technical and commercial support, plus the sale of spare parts and hourly service contracts. Close reach to customers is ensured by a worldwide network of maintenance, repair and overhaul (MRO) centers, which includes sites run by Safran and by third-party partners.

New mobility concepts, hybrid propulsion systems

Safran has developed expertise in hybrid electric propulsion systems, whose combined electric and thermal energy sources make it possible both to optimize onboard power management and to offer systems capable of powering emerging aircraft concepts.

With its electrical equipment capabilities, the Group also markets turbogenerators based on helicopter engines, which also incorporate electrical equipment provided by Safran.

(1) Percentage of new helicopters delivered in 2024 powered by Safran engines. Source: Safran.

(2) SAF - Sustainable Aviation Fuel.

(3) Shaft horsepower.

Auxiliary power units, turbojet engines for missiles and target vehicles

The auxiliary power units developed by Safran meet the demanding requirements of the world's leading aircraft and helicopter manufacturers. Safran equips a large fleet of civil and military aircraft and helicopters. Through its R&T work on fuel cells, Safran Power Units contributes to the development of electric power generation solutions emitting zero CO₂.

1.2.1.3 Mechanical power transmission systems

Key characteristics of the business sector

The main applications covered by the power transmission systems market are:

- accessory drive trains (ADTs), which supply the mechanical energy needed for engine and aircraft equipment;
- propeller gearboxes (PGBs) and reduction gearboxes (RGBs), which transfer power to the turboprop propellers or the high-bypass-ratio turbofan;
- main transmission gearboxes (MGBs), which transfer power to the helicopter blades.

The main participants in this market are the engine and helicopter manufacturers themselves, along with aerospace equipment suppliers such as Collins Aerospace (Raytheon Technologies Group - United States), Triumph (United States), Avio Aero (Italy) and Honeywell Aerospace (United States).

Through Safran Power Units, the Group is a leading global player⁽¹⁾ in jet engines for military applications (missiles and targets). Safran makes engines for missiles including the SCALP and RBS-15, and for the US targets MQM-107 for the US Air Force. In 2021, Safran also became involved in the British and French joint FC/ASW program⁽²⁾, working in 50/50 partnership with Rolls-Royce to develop the engine for the next generation of tactical missiles.

Group products and programs

Safran's operations in the mechanical power transmission sector involve Safran Transmission Systems and the Aero Gearbox International (AGI) joint venture with Rolls Royce (United Kingdom).

The unit's accessory drive trains power engines such as the CFM56 (Airbus A320ceo and Boeing 737 NG), the LEAP (Airbus A320neo, Boeing 737 MAX and COMAC C919), the Trent XWB (Airbus A350), the M88 (Dassault Aviation Rafale) and the TP400 (Airbus Defence & Space A400M).

In addition, through the AGI joint venture, which designs, develops and manufactures power transmission systems for Rolls-Royce aircraft engines, Safran Transmission Systems covers all the British engine-maker's business and commercial aircraft applications.

1.2.1.4 Launch vehicles – ArianeGroup (owned 50/50 by Safran and Airbus)

Key characteristics of the business sector

This business sector comprises three main segments:

- the civil space industry, with launch vehicles for placing satellites in orbit;
- military applications, with tactical, ballistic and hypersonic missiles;
- products, equipment and services: a largely commercial segment covering institutional customers, satellite manufacturers and the launch vehicle industry.

In the first two segments, development and engineering programs tend to follow long cycles under finance by institutional budgets. European Space Agency (ESA) budgets are for civil space activities in Europe, while French defense budgets are for strategic operations.

In the civil space industry, competition is quite intense. The main competitors of Arianespace (an ArianeGroup subsidiary) in the commercial launch services market are SpaceX (United States) with its reusable Falcon 9 launcher and the heavy-lift version Falcon Heavy, United Launch Alliance (United States) with the Vulcan Centaur launcher, the Indian Space Agency (ISRO⁽³⁾) with the LVM 3 (Launch Vehicle Mark-3) and Mitsubishi Heavy Industries (Japan) with the H3 launcher. Ariane 6 came into service in 2024, a judicious move given that competition will be intensifying in the medium-term, with a number of new launch vehicles currently under development. These include New Glenn from Blue Origin, Neutron from Rocket Lab, Terran R from Relativity Space and MLV (Medium Launch Vehicle) from Firefly Aerospace, all in the United States.

In this same segment, competitive pressure could also increase in the near future with the arrival of new entrants specialized in light payload launches. This is particularly the case in Europe, with the development of micro-launchers in Germany (Rocket Factory Augsburg's RFA One and ISAR Aerospace's Spectrum), Spain (PLD Space's Miura 5) and the United Kingdom (Orbex Space's Prime and Skyrora's Skyrora XL). In response, ArianeGroup, through MaiaSpace⁽⁴⁾, is developing the Maia mini-launch vehicle, scheduled to make its first flight in 2026.

The military launch vehicle segment covers tactical, ballistic and hypersonic missiles:

- tactical missiles use various types of propulsion systems (solid propellant, turbojet and ramjet). Safran's main involvement in this market is with turbojet propulsion, through Safran Power Units. The other main player in the turbojet propulsion sector is Williams International (United States);
- in Europe, France is the only country to develop its own ballistic missiles, for oceanic deterrent purposes, powered by solid-propellant engines. The main Western players in the ballistic missile segment are ArianeGroup in France and Lockheed Martin and Northrop Grumman in the United States;
- hypersonic missiles, currently in development, extend military capabilities. The main players are Russia, China and the United States. In France, the V-MAX (Véhicule Manœuvrant expérimental, or experimental maneuvering vehicle) demonstration program is the result of cooperation between ArianeGroup and ONERA⁽⁵⁾ on behalf of the French Directorate General of Weapons Procurement (DGA).

(1) Source: Safran.

(2) Future Cruise and Anti-Ship Weapon.

(3) ISRO - Indian Space Research Organisation.

(4) ArianeGroup subsidiary.

(5) Office national d'études et de recherches aérospatiales (French National Aerospace Research Office).

The third segment comprises products, equipment and services for civil and military launch vehicles, satellites, space surveillance, production of critical infrastructures (remediation units, destruction of First World War munitions, etc.), and production of parts for the aerospace industry.

Group products and programs

Safran covers the civil and military launch vehicle sector through ArianeGroup. ArianeGroup is the product of the joint ambition of Safran and Airbus to drive the European space industry to unrivaled heights, in a context of mounting international competition. It merges both partners' businesses and expertise in civil and military launch vehicles.

Safran covers the sector of propulsion systems for tactical missiles and targets through Safran Power Units.

Civil space industry

ArianeGroup is the prime contractor for the ESA on the future Ariane 6 launch vehicles, which involves coordinating an industrial network of more than 600 companies in 12 European countries. It manages the whole of the industrial chain, which covers plant and equipment, engine manufacture, and integration of the launch vehicle at the Guiana Space Center.

ArianeGroup also contributes to solid propulsion for the Vega program, through its joint interests with Avio in Europropulsion and Regulus; the first stage of the Vega C launcher is common with the boosters for Ariane 6.

Military space industry

Tactical missiles

Through Safran Power Units, the Group is a leading global player⁽¹⁾ in jet engines for military applications (missiles and targets). Safran makes engines for the SCALP, Exocet Block 3, NSM⁽²⁾ and RBS-15 missiles, and for the US targets BQM 167 and 177 used by the US Air Force and Navy. Safran also became involved in the British and French joint FC/ASW program⁽³⁾, working in 50/50 partnership with Rolls-Royce to develop the engine for the next generation of tactical missiles.

Ballistic missiles

In the military market, ArianeGroup is industrial prime contractor on the missiles program for France's fourth - generation ocean-going strategic nuclear force (M51), and its incremental development. Neither ArianeGroup nor Safran is responsible for the provision of nuclear warheads for these ballistic missiles.

ArianeGroup also develops technologies for forthcoming high-performance propulsion systems (modular propulsion, DACS⁽⁴⁾, etc.) under national and international production and R&T contracts.

Hypersonic missiles

ArianeGroup is a key player in hypersonic weapons (at speeds above Mach 5), developing the V-MAX (for *Véhicule MAnœuvrant eXpérimental*) hypersonic glider demonstrator for the French Armed Forces.

Products, equipment and services

ArianeGroup currently sells products, equipment and services in more than 50 countries, and supplies products such as propulsion systems and antenna reflectors to the main satellite manufacturers. Through its worldwide Helix network, ArianeGroup also meets the needs expressed by civil and military customers for services involving the detection and surveillance of space objects.

Other products and services come through ArianeGroup subsidiaries:

- Pyroalliance provides pyrotechnic equipment for a broad range of missiles and launch vehicles (Ariane and Vega);
- Sodern fields cutting-edge expertise in space instrumentation, optics and neutronics for civil and military applications;
- Nuclétudes provides prime expertise in tests and engineering on ruggedization, for the protection of electronic systems and mechanical structures in harsh radiative and electromagnetic environments;
- Aerospace Propulsion Products (APP) handles design, development and production of engine initiators and gas generators for space (Ariane and Vega) and industrial applications.

Harnessing its experience in liquid hydrogen for launch vehicle propulsion, ArianeGroup works with Safran to develop technological solutions addressing the particular challenges of liquid hydrogen, to be used for both aviation applications and for other modes of transport.

(1) Source: Safran.

(2) NSM - Naval Strike Missile.

(3) Future Cruise and Anti-Ship Weapon.

(4) Divert and Attitude Control System.

1.2.1.5 2024 highlights

Civil aircraft engines

Low-thrust engines: Safran contributed to work on GE's Passport, which currently powers Bombardier's Global 7500 long-range business jet and will power the new Bombardier Global 8000 aircraft, scheduled for entry into service in 2025.

For the Silvercrest engine, Safran followed on from ground and flight tests by completing specific high-pressure body tests and icing tolerance tests under certification conditions. This motor is now considered sufficiently proven and is available for future applications.

Mid-thrust engines: The year 2024 saw 50th anniversary celebrations for CFM International, the 50/50 joint venture between Safran and GE Aerospace for the CFM56 and LEAP mid-thrust engines. In 2021, this partnership with GE Aerospace in CFM International was extended through to 2050.

A total of 1,407 LEAP engines were delivered in 2024, 10% down on the 1,570 in 2023, as a result of supply-chain difficulties. The first LEAPs equipped with the new RBS (Reverse Bleed System), which reduces engine maintenance workload, entered service. Then to increase the under-wing life of LEAP-1A engines, particularly in severe and hot environments, a new high-pressure turbine blade was certified on December 9, 2024 by the civil aviation authorities in Europe (EASA) and the United States (FAA). Certification of this new high-pressure turbine blade for LEAP-1B engines is scheduled for 2025.

Orders for LEAP engines topped 3,000 during the year, demonstrating the success of this engine with airlines including easyJet (United Kingdom), Akasa Air (India) and American Airlines (United States). At the end of 2024, with almost 9,200 LEAP engines delivered since the start of the program, CFM International's backlog for the engines stood at more than 11,500 orders (net cumulative orders and commitments) for the three A320neo, Boeing 737 MAX and C919 programs.

LEAP engines	2023	2024	2024/2023 change
Engines delivered	(1,570)	(1,407)	-10.4%
Orders received	2,508	3,014	+20.2%
Orders canceled	(204)	(739)	N/A
BACKLOG	10,675	11,543	+8.1%

A total of 60 CFM56 engines were delivered in 2024 (up from 52 in 2023). There is still a pipeline of CFM56 engines to be delivered over the next few years, both to power the military version of the Boeing 737 (P8-Poseidon) and to provide the spare engines needed to support the in-service fleet.

Deliveries of high-thrust engines, for which Safran provides subassemblies as program partner, totaled 195 engines in 2024, up from 190 in 2023. During the year, Safran continued work on improving the fan casing for the forthcoming GE9X engine, the only engine to power the new Boeing 777X long-haul jet, and 21 LM6000 gas turbines (for the CF6 engine) were delivered (up from 16 in 2023).

Spare parts and service contracts for civil engines: buoyed by strong growth in air traffic, civil aftermarket (in US dollars)⁽¹⁾ rose by 24.9%. According to Safran's new metrics for these activities, Services (in US dollars) rose by 38%, driven by LEAP flight-hour contracts, and Spare Parts (in US dollars) grew by 16.5%, chiefly on CFM56 and high-thrust engines.

CFM International signed **new service contracts** for LEAP engines, notably with American Airlines (United States).

Working toward a business model balance between spare parts sales and service contracts, CFM International is developing an Open MRO network involving maintenance, repair and overhaul (MRO) operations conducted by recognized external players, which have already signed service contracts, with operators including Akasa Air (India), Lion Air (Indonesia) and Smartwings (Czech Republic).

For GE90 high-thrust engines, new service contracts were signed, extended, restructured or renewed in 2024, as with Silk Way West Airlines (Azerbaijan), Garuda Indonesia (Indonesia), Cathay Pacific (China), FedEx (United States), and Emirates (United Arab Emirates).

Industrial operations: Safran has announced the launch of an investment plan topping €1 billion to develop its global MRO network addressing growth of the LEAP engine worldwide. These investments will facilitate a capacity reaching 1,200 workshop visits per year by 2028. They cover the construction of 120,000 m² of additional industrial space for LEAP maintenance and repair, including:

- a new site in Brussels (Belgium), operational since early 2024;
- a new site in Hyderabad (India), operational in 2025;
- a second workshop in Querétaro (Mexico) and construction of a new test bench, operational in 2026;
- a new site in Casablanca (Morocco), operational in 2026;
- extension of the Villaroche and Saint-Quentin-en-Yvelines maintenance sites (France), in 2025 and 2026 respectively.

(1) Civil aftermarket (expressed in USD): this non-audited performance indicator comprises spare parts and MRO (Maintenance, Repair & Overhaul) revenue for all civil aircraft engines for Safran Aircraft Engines and its subsidiaries only, and reflects the Group's performance in civil aircraft engines aftermarket.

The investment plan also includes development of the worldwide engine parts repair network, with:

- a new turbine blade repair facility, with construction of a new foundry site handling turbine blade production in Rennes (France);
- expansion of the Querétaro workshop in Mexico;
- acquisition, finalized in early 2025, of Component Repair Technologies (CRT), in Mentor (Ohio, United States). CRT is a worldwide front-line specialist in the repair of large aircraft engine parts (cases, rotating parts) for the CFM56, LEAP and high thrust engines.

In 2024, the new BeCOVER test center was inaugurated at Herstal in the province of Liège (Belgium). This 3,000 m² facility tests all types of compressors for new-generation civil and military aircraft engines.

Military aircraft engines

Fighter engines: In 2024, 40 M88 engines for the Rafale were delivered, compared with 42 in 2023, and Safran was selected by the French government to produce the M88 engines that will be powering the 42 future aircraft in the fifth stage of the Rafale contract (5T). During the year, the final stage of 18 Rafales for Indonesia came on stream, and Serbia signed a contract for 12 new Rafales.

The R&T phase (Phase 1B) of work on the engine for the new-generation fighter (NGF) aircraft continued through 2024, with development and maturation for the advanced technologies required for demonstrator flights, along with consolidation of project architectures. The year also saw observer status in the SCAF program extended to Belgium, under an agreement signed with France, Germany and Spain.

Transport aircraft engines: A total of 38 TP400 engines were delivered in 2024 (compared to 34 in 2023). At the end of the year, orders and purchase commitments covered 143 engines for the A400M aircraft from Airbus Defence & Space.

Service contract: a contract was signed for the M88 engines that will be powering Qatar's fleet of 36 Rafales. This contract offers the Qatar Armed Forces a wide range of services, including the supply of spare parts, repair and overhaul operations, and on-site support to optimize maintenance operations. On Larzac engine maintenance, an agreement was signed with the Egypt-based AOI (Arab Organization for Industrialization), which becomes a worldwide authorized and licensed company for engine support on the Alpha Jet ground attack and trainer aircraft. This new activity will be carried out at a brand-new engine repair workshop employing 30 skilled workers in Helwan (Egypt).

To support the TP400 engine, a five-year ESS2⁽¹⁾ contract was signed between OCCAR⁽²⁾ and Europrop International (EPI). This covers in-service support of TP400 engines powering Airbus A400M aircraft in the six countries participating in the program (France, Belgium, Germany, Spain, Turkey and the United Kingdom), and will enable participating countries to increase the availability of their aircraft, while ultimately reducing their ownership costs.

Helicopter engines

Safran Helicopter Engines delivered 682 helicopter engines in 2024, up from 588 in 2023, with a rise in maintenance operations.

Light helicopter engines: development of the range continued during the year, with the start of certification flights for Leonardo's new AW09 light helicopter (Italy), powered by the 1,000 shp Safran Arriel 2K engine. The Airbus H145 twin-engine multi-role helicopter, powered by the Safran Arriel 2E engine, also enjoyed a number of commercial successes in France (42 helicopters for renewal of the Gendarmerie and Sécurité Civile fleets), Belgium (15 helicopters), the United Kingdom (6 helicopters) and Cyprus (6 helicopters).

Engines for medium-weight helicopters: the Safran Arrano 1A engine was certified by the Chinese (CAAC)⁽³⁾, Indian (DGCA)⁽⁴⁾, Australian (CASA)⁽⁵⁾ and South Korean (KOCA)⁽⁶⁾ authorities, marking an important step towards entry into service for the Airbus H160 helicopter in these countries. This new 6-ton twin-engine helicopter, powered exclusively by Safran Arrano 1A engines, is already in service in Europe, the United States, Japan, Brazil and Saudi Arabia. Operators PHI Aviation LLC (Petroleum Helicopters International) and Omni Helicopters (Portugal) have also received H160s, the first to be used for offshore transport missions.

Engines for heavy-lift helicopters: Hindustan Aeronautics Limited (HAL) (India) and SAFHAL Helicopter Engines Pvt. Ltd. (SAFHAL) (India)⁽⁷⁾ signed a contract to launch design, development, manufacture and support of a new-generation high-power engine, the Aravalli, for India's 13-ton IMRH (Indian Multi-Role Helicopter) and its onboard DBMRH (Deck-Based Multi-Role Helicopter) version.

Commercial development of the Aneto-1K engine powering the Leonardo AW189K helicopter continued:

- in China, where the Civil Aviation Administration (CAAC) validated the Type Certificate granted to the engine in 2019 by EASA⁽⁸⁾;
- in Latin America, where the Brazilian authorities (ANAC - Agência Nacional de Aviação Civil) certified this engine, enabling the first AW189K to enter service with operator Omni Helicopters, for utility transport missions in the Amazon and offshore.

(1) ESS2: Engine Support Step 2.

(2) The Organization for Joint Armament Cooperation (OCCAR) is a European intergovernmental organization designed to facilitate cooperation on major weapons programs.

(3) CAAC - Civil Aviation Administration of China.

(4) DGCA - Directorate General of Civil Aviation.

(5) CASA - Civil Aviation Safety Authority.

(6) KOCA - Korea Office of Civil Aviation.

(7) Joint venture between Safran Helicopter Engines and HAL.

(8) European Union Aviation Safety Agency.

Another Aneto variant, the Aneto-1A, also begun flight tests on Airbus Helicopters' RACER (Rapid and Cost-Effective Rotorcraft) demonstrator, with a view to evaluating Safran's Eco Mode hybridization system in 2025. This system, designed for twin-engine helicopters, involves putting one of the two engines on standby during cruising flight, optimizing power for more energy-efficient operation.

On development of a heavy helicopter engine for the next generation of European military helicopters, Safran and MTU Aero Engines signed a cooperation agreement to form the 50/50 joint venture EURA (European Military Rotorcraft Engine Alliance). With EURA, the two companies take a major step towards technology maturation and joint development of an engine that will be particularly well suited to the ENGRT (European Next Generation Rotorcraft Technologies) project, scheduled to enter service in 2040.

The Airbus H225 helicopter, and its military variant H225M, powered by the Safran Makila 2 engine, enjoyed significant commercial success in 2024, with orders from the German Federal Police (Bundespolizei) for 35 units, the Netherlands (12 units) and Iraq (12 units).

Helicopter engine services: business development continued throughout the year, with the signing of numerous support contracts, both SBH® (Support-By-the-Hour) and GSP (Global Support Package), as with the US Coast Guard, the German (Bundeswehr), British (Royal Navy) and Danish (Defence Acquisition and Logistics Organization) armed forces, along with Global Turbine Asia - GTA (Malaysia), GDAT (China), DRF Luftrettung (Germany), ADAC Heliservice (Germany), Bristow Group (United States) and Japan Aerospace Corporation (Japan).

Industrial operations: Safran Helicopter Engines Germany has launched construction work on its new plant near Hamburg (Germany). This new 3,000 m² facility will strengthen the Group's support, logistics, maintenance, repair and overhaul (MRO) capabilities, to keep pace with helicopter market growth in Germany, Northern Europe, Eastern Europe and Central Asia.

Launch vehicles

Civil space activities: In 2024, Europe's Ariane 6 heavy launcher successfully completed its first launch from the Guiana Space Center in Kourou, French Guiana. The rocket carried a number of small satellites, demonstrators and scientific experiments for institutions (ESA and NASA), universities and private companies. At the end of 2024, Arianespace had close to 30 launch contracts for Ariane 6, including 18 for Amazon's Kuiper constellation.

The Vega light launcher successfully placed the Sentinel-2C earth observation satellite for the European Union's Copernicus program into sun-synchronous orbit. This mission was the last for the Vega launcher, marking the transition to the Vega C launcher, which made its return to flight by successfully placing the Sentinel-1C satellite into sun-synchronous orbit for the European Union's Copernicus program.

MaiaSpace⁽¹⁾ continued development of the new Maia reusable mini-launcher, based on the technological building blocks of ArianeGroup's Prometheus engine and Themis reusable lower stage demonstrator.

Military space activities: Following its qualification flight on November 18, 2023, the program on the new M51.3 strategic missile for the oceanic component of France's nuclear deterrent continued. Neither ArianeGroup nor Safran is responsible for the provision of nuclear warheads for these ballistic missiles.

On the hypersonic weapons front, ArianeGroup continued work on the V-MAX hypervelocity glider demonstrator.

For the fourth year running, ArianeGroup with its Helix space surveillance system took part in the AsterX space threat simulation exercise organized by the French Space Command. ArianeGroup has also been selected by the European Union Space Programme Agency (EUSPA⁽²⁾) to contribute to development of a space surveillance database for the EU SST (Space Surveillance and Tracking) program⁽³⁾.

On December 19, 2024, Safran completed the sale of its stake in the Roxel joint venture to the missile manufacturer MBDA. Previously 50/50 owned by Safran and MBDA, Roxel is now a fully-owned subsidiary of the European missile manufacturer.

(1) ArianeGroup subsidiary.

(2) EUSPA – European Union Agency for the Space Programme.

(3) EU SST is a network of ground-based and space-based sensors capable of surveying and tracking space objects around the earth. It also includes processing capabilities which provide data on these objects.

1.2.2 Equipment & Defense

Safran is one of the world's leading suppliers of safety and other critical-function equipment in aerospace and defense applications: landing, orientation and braking systems; nacelles; electrical systems; and engineering solutions. Safran's Aerosystems division also offers safety systems (slides, oxygen masks, onboard oxygen generation, etc.) and fluid management systems. In the Defense sector, Safran offers a diversified portfolio of products adapted to battlefield transformation: optronics, avionics, navigation, tactical drones, electronics and mission-critical software. In 2024, the Group acquired Prelogens, now Safran.AI, to open up new fields of application for artificial intelligence in aerospace and defense.

Safran's Equipment and Defense business covers five main sectors:

LANDING AND BRAKING SYSTEMS

36

- Landing gear, wheels and brakes
- Landing, orientation and braking control systems

ENGINE SYSTEMS AND EQUIPMENT

37

- Nacelles and thrust reversers

ELECTRICAL SYSTEMS AND HIGH-TECH ENGINEERING

37

- Electric propulsion, generation, distribution and interconnection systems
- Electrical components
- High-tech engineering

AEROSYSTEMS

39

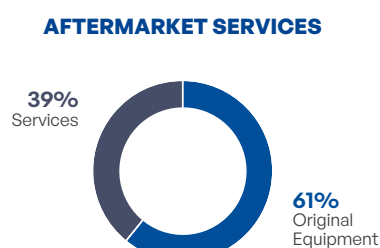
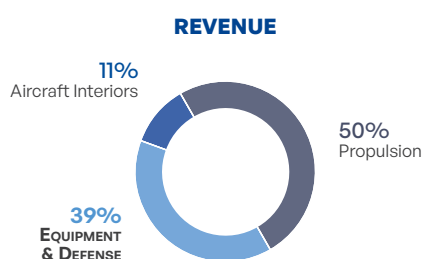
- Safety and protection systems
- Integrated management and control systems for fluids and fuel

ELECTRONICS AND DEFENSE

40

- Avionics, defense, navigation & timing, space, artificial intelligence (AI)

Adjusted key figures



(in € millions)

	2023	2024	2024/2023 change
Revenue	8,835	10,618	+20%
Recurring operating income	992	1,298	+30%
Profit (loss) from operations	979	1,363	+39%
Free cash flow ⁽¹⁾	538	569	+6%
Acquisitions of property, plant and equipment ⁽²⁾	327	385	+18%
Self-funded R&D	484	511	+6%
Headcount ⁽³⁾	45,007	48,846	+9%

(1) Free cash flow is equal to cash flow from operating activities less changes in working capital and acquisitions of property, plant and equipment and intangible assets.

(2) Net of proceeds from disposals.

(3) Registered at December 31, including fixed-term and permanent contracts.

1.2.2.1 Landing and braking systems

Safran is a preferred partner of airframers, holding technological expertise across a large number of sectors and capable of offering a comprehensive range of products and services. Safran is notably the sole comprehensive "ATA 32" supplier⁽¹⁾ (landing gear + brakes + systems).

This business comprises three main product lines: landing gear, wheels and brakes, and landing and braking systems. Safran covers these product lines through Safran Landing Systems, which enjoys a leading position worldwide, equipping some 34,000 aircraft worldwide.

Landing gear

Key characteristics of the business sector

Technology requirements are high, as landing gear must bear extreme loads during maneuvers on the ground: it must be light, compact and robust, while being fully adapted to and optimized for the aircraft's profile. The business model includes a long development period - which starts with the initial aircraft development phase - limited production volumes and regular service flows.

The market for commercial aircraft landing gear is mainly shared by Safran, Collins Aerospace, Liebherr (Switzerland), Héroux-Devtek (Canada) and a handful of niche players positioned in specific market segments (business jets, helicopters, drones, etc.).

Group products and programs

Safran is world number-one⁽²⁾ in landing gear, through Safran Landing Systems.

The Group designs, manufactures and provides aftermarket support for landing gear for both civil and military planes and helicopters of all sizes. It also handles system integration if requested by the customer, and provides technical assistance, spare parts and repair services.

Wheels and brakes

Key characteristics of the business sector

The market for wheels and brakes for civil and military aircraft is currently split among four major global players: Safran, Collins Aerospace, Honeywell and Meggitt (United Kingdom).

Group products and programs

Safran designs and manufactures wheels and carbon brakes for civil and military aircraft, and provides related aftermarket support.

Safran is world number-one⁽²⁾ in this sector for commercial aircraft of over 100 seats, equipping some 12,600 aircraft with Safran wheels and carbon brakes. Recurring revenue is substantial here, since it correlates directly with the size and lifespan of the fleet in service (specifically, the number of landings made by aircraft fitted with these systems).

Safran is also involved in electronic and electrohydraulic systems for aircraft braking and tire/brake/landing gear monitoring systems.

Safran wheels and carbon brakes also equip more than 1,500 military aircraft and 1,200 business aircraft.

Landing, orientation and braking control systems

Key characteristics of the business sector

This market includes braking systems, front-wheel orientation systems, landing gear extension/retraction systems, and monitoring systems. The main participants are Safran, Collins Aerospace, Crane Aerospace & Electronics (United States), Meggitt and Liebherr.

Group products and programs

Safran's operations in the landing and braking system segment mainly involve Safran Landing Systems. In electronic control systems for landing gear and brakes, Safran builds on two major strengths:

- technological leadership and expertise in complex hydraulic and electrical systems;
- ability to offer customers a complete package, including landing gear, wheels and brakes, and electronic control systems.

Services for landing gear, wheels and brakes and related systems

Safran provides maintenance services for its own products, and for competitor products on commercial aircraft with more than 100 seats, and, alone or in partnership, for regional jets and business jets.

Through its LandingLife® services, Safran delivers tailored support 24/7 everywhere around the world. The LandingLife customer portal boasts cost-efficiency and up-to-the-minute innovation across a range of services, with predictive maintenance functions harnessing advanced digitalization.

To provide maintenance services for landing gear and landing and braking systems, Safran has developed international repair centers in Mexico, the United Kingdom, France, Singapore, the United States and China. Some of these repair centers are managed as joint ventures with partners such as Singapore Airlines Engineering Company, China Eastern Airlines and Dassault Falcon Jet (United States).

(1) The Air Transport Association of America (ATA) categorizes aircraft systems into chapters.

(2) Ranking criteria: market share – Source: Safran.

1.2.2.2 Engine systems and equipment

Nacelles and thrust reversers

Key characteristics of the business sector

The nacelle serves as the interface between the engine and the aircraft. This complex structure is critical to the aircraft's performance, fulfilling multiple functions under harsh conditions (extreme temperatures, lightning protection, dimensional constraints) and must be kept as light as possible. The nacelle protects the engine and channels its airflow. It contributes to aircraft braking during the landing phase (thrust reversers) and helps reduce noise. It must also ensure ready access to the engine for maintenance.

Today's market for aircraft engine nacelles splits into two main segments, addressed by:

- nacelle component manufacturers;
- nacelle integrators such as Safran, capable of supplying engine manufacturers and airframers with complete nacelles, and providing aftermarket services throughout the nacelle's life cycle.

Safran's main competitor on the integrated nacelles market is Collins Aerospace.

Group products and programs

Safran specifies, designs, manufactures and provides aftermarket support for aircraft engine nacelles through Safran Nacelles. On this market, the Group ranks second worldwide, with a market share⁽¹⁾ approaching 25%.

In the segment of nacelles for commercial aircraft with more than 100 seats, Safran enjoys a long-standing position as a manufacturer of complete nacelle systems and large thrust reversers. Safran also developed the COMAC C919 nacelle, through Nexcelle, a joint venture with Middle River Aerostructure Systems (MRAS) (United States)⁽²⁾. Safran also supplies nacelles for regional jets and is a leading supplier of nacelles for business jets⁽³⁾, with a market share of 30%.

Services for nacelles and thrust reversers

Safran offers its customers closely tailored solutions through its NacelleLife™ range of nacelle maintenance services. NacelleLife provides operators with maintenance services closely matched to their specific requirements, from preparation for entry into service and major maintenance visits, through to removal from or return to service. NacelleLife solutions generate revenues from sales of parts, maintenance programs, spares and related services. NacelleLife also draws on innovative solutions such as predictive maintenance.

1.2.2.3 Electrical systems and high-tech engineering

The shift toward more electric aircraft systems is a major and irreversible structural change undertaken by airframers to increase safety, reduce greenhouse gas emissions, optimize weight and volume, lower costs and simplify aircraft manufacture, assembly and maintenance⁽⁴⁾.

Three recent market trends afford Safran scope for development:

- **the "more electric" aircraft**, as most of the hydraulic and pneumatic systems found in present-day aircraft are phased out by electrical systems;
- **electric hybridization**, with combustion engines or gas turbines backed by electric motors to reduce the aircraft's carbon footprint;
- **new aircraft projects**, for short-distance passenger or freight transportation, to ease urban mobility, or for general aviation electrification. These platforms use hybrid or all-electric

propulsion, opening a fresh market for the engines and electric power management systems in which Safran has developed expert capabilities.

Electric propulsion, generation and distribution systems

Key characteristics of the business sector

The electrical systems market mostly covers power generation and distribution functions. This market is currently commanded by major participants including Safran, Collins Aerospace, GE Aerospace, Honeywell and Transdigm (United States). Only Collins Aerospace and Safran field a comprehensive offering spanning main and backup power generation, conversion, and primary and secondary distribution.

(1) Source: Safran.

(2) MRAS is a company of the Singapore-based group ST Engineering.

(3) Source: Safran.

(4) See section 1.3.1.1, *Electric technologies and new power configurations*.

The power conversion market comprises a variety of activities:

- power load conversion, to meet the needs arising from the electrification of certain aircraft functions, such as electric thrust reversers, electric brakes, power load management, etc.; and
- mains conversion, to switch from direct current to alternating current, or to change the voltage.

This critical technological building block was acquired by Safran with the purchase of Thales' aeronautical electrical systems business in 2023.

With recent developments, onboard electrical systems are also extending to propulsion functions. With electric micro-hybridization or internal hybridization, a conventional engine can work together with an electric motor or electric generator, the two relaying each other or running in tandem depending on flight phase or mission requirements. This reduces aircraft fuel consumption and improves operability of the conventional engine, relieved of duty during low-speed phases. Electric hybridization can be combined with the primary energy source: for example, a turbogenerator (gas turbine coupled to generators) provides enough electricity to power several electric motors for aircraft propulsion. For general aviation and certain light aircraft (VTOL⁽¹⁾), 100% battery-produced electric propulsion is possible, though the battery mass density reduces the operational range of these aircraft to a few hundred kilometers.

The main players on these new electric propulsion and hybridization markets are Safran, GE Aerospace, Collins Aerospace and Honeywell, along with a number of startups, such as magniX (United States), Evolito (United Kingdom) and MAGIcALL (United States).

Group products and programs

Safran covers the electric propulsion, generation and distribution systems sector through Safran Electrical & Power.

Safran stands as a world leader in primary electrical power distribution on board aircraft, offering customers a wide range of variable-frequency generators that meet the needs of helicopter and civil and military aircraft programs. Many aircraft are fitted with Safran DC engine starter generators, APUs⁽²⁾ and backup power systems (Ram Air Turbine [RAT]).

Safran has also developed a new range of electric motors and generators. Known respectively as ENGINEUS and GENeUS, these products offer superior performance and high output, thanks to the integration of power electronics, which increases power density. They are especially well placed to meet customers' needs in hybrid and electric propulsion solutions on new markets.

Electrical interconnection systems (wiring)

Key characteristics of the business sector

The Group is a leading worldwide supplier⁽³⁾ of electrical interconnection systems, which mainly comprise electrical harnesses for power and data transmission.

Aircraft manufacturers often carry out part of the corresponding activities in-house. Safran's main rivals on the aircraft wiring market are GKN (United Kingdom) and Latécoère.

Group products and programs

Safran's operations in the wiring and electrical interconnection system segment involve Safran Electrical & Power.

Safran's customers in this field include the main airframers and helicopter manufacturers. It also provides electrical and layout design work, as well as harness production and installation support services. If requested, as on upgrade programs, Safran can take on the planning and onboard installation stages. This can extend to an end-to-end service covering engineering, manufacture and installation support. The Group supplies the harnesses mounted on CFM56 and LEAP engines, and on landing gear for commercial and business jets and missiles. Safran also takes charge of fitting electric bays, enclosures and cabinets for commercial aircraft and helicopters.

Electrical components

Key characteristics of the business sector

Customers in the market for electrical connections in harsh environments judge suppliers largely on their degree of qualification and their ability to deliver complete systems and subassemblies. A determining factor is the capacity for offering customers expertise across all the components integrated in these systems and subassemblies.

Competencies in this field are chiefly found with Safran, 3P Produits Plastiques Performants, Glenair (United States), Transdigm, Amphenol (United States), Federal Mogul (United States), TE Connectivity (United States) and Hellermann Tyton (United Kingdom).

Group products and programs

Through its Safran Electrical Components subsidiary, Safran holds qualifications in design, production and aftermarket support for electrical interconnection components, power contacts and fluid transfer components and subassemblies. Safran's components and subassemblies address the defense, automotive and industry sectors, as well as aviation.

(1) Vertical Take-Off and Landing aircraft.

(2) Auxiliary power unit.

(3) Ranking criteria: revenue – Source: Safran.

High-tech engineering

Key characteristics of the business sector

Engineering services providers must be able to accompany their customers on an international market, to offer offshore capabilities (with a pool of engineers located in lower-cost countries such as India), to take responsibility for completing engineering work, to support process improvement and to develop and retain skills.

The Group's main competitors are leading French full-service engineering groups such as Alten, Capgemini Engineering, Akkodis, and French niche aviation engineering suppliers including Expleo and Aeroconseil.

Group products and programs

Safran is present in the engineering market through Safran Engineering Services. In Europe, North America, Asia and North Africa, Safran provides engineering services primarily on the

aviation market (for airframers and equipment manufacturers), but also on the rail market, where the Group offers expertise in electrical systems.

Safran Engineering Services' expertise in six broad areas (electrical engineering, mechanical engineering, systems engineering, software development, production release support and customer/publication technical support) is used by various Group companies, chief among which rank Safran Electrical & Power, Safran Aircraft Engines and Safran Electronics & Defense. Services are also provided to major aerospace customers (Airbus, Boeing, Dassault Aviation, ArianeGroup) and land transport companies (Alstom).

Safran Engineering Services also works toward fulfilling Group ambitions by providing expertise in digitalization, project management, additive manufacturing, industrialization and supply chain management. In this way, it supports the Group's transformation, while addressing the sovereignty and confidentiality issues inherent in certain programs.

1.2.2.4 Aerosystems

Key characteristics of the business sector

Most of the high-tech equipment and systems that ensure the in-flight and on-ground safety, fuel management and on-board fluid management of airplanes and helicopters are specified and selected by the airframer at the onset of each new aircraft program.

They are covered by airworthiness type certification granted by authorities such as the European Aviation Safety Agency (EASA) in Europe or the Federal Aviation Administration (FAA) in the United States. This entails substantial investments at the onset of a program, offset by regular original equipment and spare parts revenues throughout the program lifespan. However, some systems are optional, such as helicopter emergency buoyancy systems, while others, such as life jackets, are selected directly by operators.

Safran's main competitors in these businesses in France and abroad include: Collins Aerospace, EAM Worldwide (United States), DART Aerospace (United States), Honeywell, Parker Hannifin Corporation (United States), Eaton Corporation (United States), Woodward (United States) and Senior Aerospace SSP (United States).

Group products and programs

Safran Aerosystems designs and manufactures high-technology solutions to enhance aircraft performance and improve aircraft and passenger safety in-flight and on the ground. These systems are installed on most commercial and business aviation programs, and on most helicopter platforms. They also feature on several French and European military programs.

Safety and protection systems

Safran's expertise in safety and protection systems extends to emergency evacuation systems for civil and military aircraft (slides, life vests and life rafts), inflatable safety products for helicopters (safety floats, life vests and life rafts), oxygen systems and masks for the cockpit and passenger deck, and

protection equipment for military and space missions (survival suits, vests, anti-G pants, oxygen masks, etc.). With the acquisition of Air Liquide's aeronautical oxygen and nitrogen activities in February 2024, Safran also holds expertise in on-board oxygen generation systems (OBOGS).

Safran holds world-leading positions⁽¹⁾ in most of these fields.

Aware of the crucial importance of ensuring safety for aircraft passengers, crew and pilots, Safran offers its customers engineering, production, technical support and aftermarket capabilities tailored to their requirements and constraints, worldwide.

Integrated management and control systems for fluids and fuel

Safran is one of the world's leading designers and manufacturers of hydraulic components and equipment (servo-valves, pressure switches, etc.), articulated high-pressure, high-temperature pipe systems, and engine equipment (air valves, servo-actuators, etc.).

Backed by its capabilities in fuel circulation, gaging and tank inerting systems for civil and military programs, Safran is also a major supplier of fuel management systems. These systems can also be designed to run on sustainable alternative fuels. In addition, the Group is proficient in the design, certification and manufacture of fuel tanks using proprietary mixes and doped fabrics for light weight and flexibility. These are used primarily in helicopters, for their crash-resistance properties.

Safran is one of the leading providers of ice detection and de-icing systems for aircraft.

Spare parts and services activities

Safran operates an international network specializing in aftermarket support for customers' aerospace systems. This spares and services business primarily involves the sale of spare parts and the provision of maintenance, repair and overhaul (MRO) services.

(1) Ranking criteria: revenue – Source: Safran.

1.2.2.5 Electronics and defense

Avionics

Key characteristics of the business sector

Avionics, which play an essential role in the piloting and safety of civil and military aviation platforms, comprise all the mission-critical onboard electronic systems that support an aircraft's operation, navigation and control. This sector is characterized by long cycles. Its criticality raises crucial challenges that call for constant innovation in electronics. Safran responds through ambitious technology roadmaps that benefit all its markets.

Safran equips all types of aerospace platforms: commercial, regional, business and military aviation, as well as helicopters, drones, launch vehicles and satellites. The Group's customers include leading aircraft and helicopter manufacturers, along with airlines.

Its main competitors in France and abroad include: GE Aerospace, Collins Aerospace, Honeywell, Thales, BAE Systems, Liebherr, Teledyne Controls (United States), Moog (United States) and Korri Electronics (United States).

Group products and programs

The systems developed by Safran in mission - critical actuation, avionics, electronics and software contribute to pilot comfort and efficiency, trajectory control, flight safety, navigation accuracy and aircraft performance.

Actuation systems

Safran offers electromechanical flight control solutions for all types of civil and military aviation platforms (planes, helicopters, drones, etc.), meeting the highest standards of reliability and safety. From sensors to actuators, Safran solutions improve aircraft performance and accommodate new, more electric, architectures.

Safran also provides electromagnetic actuator systems for other aerospace applications, such as thrust reversers, seats, and door opening and closing mechanisms.

Data services

Safran covers the whole of the digital chain for airplanes and helicopters, from automatic data collection to decoding, extending to in-depth, personalized analysis of flight data.

Cassiopee™, Safran's all-in-one flight data decoding and analysis solution, now equips more than 150 airlines and many business jet and helicopter operators worldwide. As well as providing valuable decision-making assistance for increased flight safety, this range of services also optimizes operating costs, maintenance and fuel consumption.

Electronics and critical software

Through Safran Electronics & Defense, the Group designs, produces and services certified on-board control systems for a wide range of critical applications, including engine control systems, thrust reversers, flight and braking controls, landing gear, and data acquisition and software loading units.

A number of strong, balanced partnerships have been forged, with FADEC International (joint venture with BAE Systems) and FADEC Alliance (joint venture between GE Aerospace and FADEC International) on engine regulation for CFM International and GE Aerospace engines.

Cockpit and HMI (Human Machine Interface) solutions

Safran offers a range of cockpit solutions for ensuring flight safety and efficient, comfortable piloting on helicopters as well as commercial, military and business aircraft:

- piloting controls: sidesticks, yokes, throttle controls, pedals, etc.;
- secondary control levers: shutter controls, air brakes, landing gears, etc.;
- control panels: components, retro-lit buttons, integrated panels, etc.

Safran also develops a full range of LED-based exterior lighting solutions, along with complete windshield wiper and washer systems adapted to the specific features of each plane or helicopter, to guarantee pilots an optimal field of vision, whatever the weather conditions.

Safran designs and develops, to the highest air safety standards, emergency locator transmitters (ELTs) for commercial aviation, general aviation and helicopters, plus personal locator beacons (PLBs) for the defense market.

Aeronautic navigation

Inertial navigation meets the safety and reliability requirements of civil and military aircraft, by guaranteeing their positioning and trajectory. Safran designs and produces inertial sensors, AHRS (Attitude and Heading Reference System) and inertial navigation systems. Based on proven, mature technologies such as the HRG Crystal™ hemispherical gyroscope⁽¹⁾, Safran's SkyNaute is a highly compact inertial navigation system that delivers performance and integrity under all circumstances.

Support and services for aerospace customers

Safran's avionics aftermarket support delivers high value-added services and solutions tailored to each customer, from maintenance, repair and overhaul (MRO) services to spare parts sales, equipment delivery and technical support.

(1) The HRG Crystal gyroscope, a major innovation patented by Safran, is the highest-performance system of its kind on the market. Using this sensor, with its straightforward mechanism and proven technology, Safran develops new ultra-reliable and extremely compact inertial systems capable of covering a very wide performance range for civil and military applications in space, air, land and sea environments.

Safran Electronics & Defense's MRO centers in France, the United States and Singapore provide aftermarket support for all its aircraft equipment, as well as 24/7 aircraft-on-ground (AOG) services.

Defense

Key characteristics of the business sector

As a key figure in the sovereignty field, with close to a hundred years of technological experience, Safran addresses a broad spectrum of tactical and strategic national security and defense needs, for observation, decision-support and guidance on land, sea and air.

Its main customers and partners in this sector are governments (ministries or armed forces or security forces) and industrial groups such as Thales, Airbus, ArianeGroup, Dassault Aviation, MBDA, Naval Group, KNDS⁽¹⁾, Leonardo, BAE Systems, Saab AB (Sweden), General Dynamics Land Systems (United States), John Cockerill (Belgium).

Safran's main competitors for applications in these businesses in France and abroad include: Thales, Exail Technologies, Hensoldt (Germany), Meinberg (Germany), BAE Systems, Spirent (United Kingdom), Leonardo, Elbit Systems (Israel), L3 Harris Wescam (Canada), FLIR Systems (United States), Northrop Grumman (United States), Honeywell.

Group products and programs

In the Defense sector, Safran supports its customers by guaranteeing technological superiority through equipment that has been tested in theaters of operation, and which helps protect soldiers and populations. Working from a thorough understanding of day-to-day challenges, Safran applies high-performance development methods to drive innovation that closely addresses emerging issues and the shifting operational needs of French and international forces.

Safran solutions bring intelligence to programs across the entire operational chain, for benefits in:

- observation, for a more accurate appreciation of the tactical situation;
- decision, for lighter mental workloads;
- guidance, for guaranteed trajectories, even in hostile environments, from the bottom of the ocean to the frontiers of space.

Safran products and equipment are also beginning to feature artificial intelligence capabilities, providing forces in the field with better knowledge of the environment, a lighter cognitive load, and faster analysis, while ensuring that decision-making and action remain in the hands of the user.

Airborne combat systems

Safran combines its optronic and inertial expertise to provide guidance solutions for intelligent air-to-ground weapons adaptable to all types of airborne missions. An example is the AASM Hammer⁽²⁾, a high-precision air-to-ground guidance kit that can be deployed in all weathers, day and night. AASM Hammer is currently in service on Rafale fighters belonging to the French air force and navy as well as in other international air

forces. It comes in several versions and harnesses Safran expertise in many areas, including infrared and image processing technology, inertial components with hemispherical resonator gyro (HRG) and laser guidance. It has proved highly effective in many overseas operations.

Drawing on its expertise in aeronautical solutions for many armed forces, Safran also offers airborne solutions tailored to their needs, such as firing posts, mission preparation, etc.

Air-land combat systems

Air-land combat involves coordinating air and ground forces to maximize effectiveness on the battlefield. The main challenges here include air control, particularly as regards observation, precision ground strikes, and troop protection, while minimizing losses and collateral damage. The technologies developed by Safran play a crucial role in the success of these operations.

Discreet surveillance of theaters of operation and precise geolocation of targets are key success factors for land-based missions. Safran offers a complete range of high-performance, modular, combat-proven airborne solutions.

In the area of vehicle and aircraft autonomy, Safran fields advanced expertise in critical functional chains: navigation and control, image chain, data transmission, artificial intelligence.

Its Patroller drone system can conduct missions ranging from ground support to maritime and border surveillance. Already selected as the French Armed Forces' tactical drone system, the Patroller won its first export contract in 2023 with the Greek Armed Forces, further confirming Safran's position as a major European player in tactical drones.

Battlefield digitization is transforming military operations: Safran develops advanced technologies to improve situational awareness, management and coordination of the various players in the field, particularly in terms of fire computers, cyber-defense and protection/resilience against the risks of disruption to communication, navigation and command systems.

Among Safran's latest technologies, the Skyjacker system replaces navigation satellite signals with modified signals to divert drone threats with false position information. Skyjacker is particularly well suited to countering saturating attacks such as drone swarms.

Onboard optronic equipment

In airborne optronics, Safran participates in major combat helicopter programs. The STRIX and OSIRIS sighting systems meet requirements on exceptionally demanding operational conditions and guarantee the performance of the weapons systems. EuroflirTM gyro-stabilized electro-optical systems provide valuable service in long-range observation and target location. They also feature on new airborne intelligence systems: drones, helicopters and aerostats.

Safran equipment provides protection for land combat vehicles (tanks, infantry vehicles and light vehicles). Stabilized sighting is a key factor in ambulant firing capability under day or night conditions, from target identification to engagement. Safran equips close to 10,000 land vehicles in France and other countries with its range of land vehicle sights, including PASEO.

(1) KNDS (KMW+Nexter Defense Systems) is the merger of Krauss-Maffei Wegmann (Germany) and Nexter (France).

(2) Armement air-sol modulaire (modular air-to-ground weapon).

In the naval field, Safran offers a range of optronic surveillance, fire direction and self-protection systems for surface vessels, and has recognized expertise in optronic masts and periscopes for conventional (SSK⁽¹⁾) and nuclear (SSN⁽²⁾ and SSBN⁽³⁾) submarines.

Soldier equipment, portable optronics and parachutes

Safran offers a complete range of infantry protection, observation and orientation systems, along with parachutes to enhance operational efficiency and safety. Flagship products include solutions using the innovative, modular NeoFelis system (a modernized version of the FELIN system⁽⁴⁾).

Safran is also one of the world's leading manufacturers of portable optronic equipment. It offers a full range for observation, surveillance, detection, pointing, identification and target designation, for use under day or night conditions. Its night-vision imagers, such as the JIM COMPACT™ multifunction infrared binoculars, along with products from its subsidiaries Vectronix in Switzerland and Safran Defense & Space Inc. in the United States, are widely used in overseas operations by French and allied forces and are considered a global market benchmark.

Safran is also a world leader⁽⁵⁾ in military (troop and cargo) parachute and protection equipment.

Lasers

Founded in 1966, Compagnie industrielle des lasers (CILAS) develops, designs, produces and markets laser equipment and optical solutions for military and civil applications. It is majority-owned by HMS Laser, itself equally owned by Safran and MBDA.

Defense customer support

Safran's customer support for defense equipment involves such high value-added services as repairs, equipment delivery, technical support and training, which are designed to meet the same goal: ensuring that equipment is in full working order at all times, a strategy primarily reflected in Global Support Package contracts.

Navigation & Timing

Key characteristics of the business sector

The accuracy of a myriad of civil and military applications depends entirely on the use of global navigation satellite system (GNSS) signals. In response, Safran offers solutions that guarantee the resilience, integrity and accuracy of transmitted data, even in conditions where the risk of interference, jamming or decoying is high.

Navigation & Timing's main competitors are Honeywell, Microship/Microsemi (United States), Spirent (United Kingdom), Teledyne (United States), Meinberg (Germany), Thales, Exail and Accubeat (Israel).

Group products and programs

Safran has developed, partially through external growth, a full range of positioning, navigation and timing (PNT) solutions and equipment, which today serve customers in every sector such as:

- Defense, with armed forces;
- Aviation safety;
- Aeronautics, including aircraft manufacturers, airlines and airports;
- Space, including national and international space agencies, scientific research centers and New Space players.

For time servers in particular, customers include:

- GAFAM⁽⁶⁾, stock exchanges, global financial systems and datacenters;
- transport operators (air, land, rail or sea).

With expertise spanning nearly 100 years, Safran is a long-standing player in inertial navigation and the key underlying technologies: mechanical, thermal, laser, fiber optics, resonant structure, MEMS⁽⁷⁾, etc. Safran inertial sensors feature in compact, high-performance inertial navigation systems that can be integrated in all circumstances and hybridized with satellite-facilitated position, navigation and time (PNT) data. Safran is currently number three worldwide for military inertial navigation systems, and number one in Europe⁽⁸⁾.

Safran also covers all other areas of resilient PNT:

- accelerometers, inclinometers, sensors, gyroscopes and IMUs (Inertial Measurement Units) using high-precision MEMS;
- atomic clocks, essential for triangulating satellite positioning. Safran is the world leader in resilient time and atomic clocks⁽⁸⁾;
- time servers for critical digital networks;
- simulators for Global Navigation Satellite Systems (GNSS⁽⁹⁾) to test and validate the performance of GNSS receivers and other systems using these signals;
- in GNSS signal interference detection and mitigation, Safran's expertise ranges from protection strategies for military bases, government installations and fixed civil critical infrastructures, to mobile application technologies. This expertise is applied to detect, mitigate or thwart GNSS signal spoofing and jamming, whether on land, at sea or in the air.

(1) Sub-surface kerosene.

(2) Sub-surface nuclear.

(3) Sub-surface ballistic nuclear.

(4) Fantassin à équipements et liaisons intégrés (infantrymen with integrated equipment and links).

(5) Source: Safran.

(6) GAFAM - acronym designating the five key US tech companies: Google (Alphabet), Apple, Facebook (Meta), Amazon and Microsoft.

(7) Micro Electro Mechanical Systems.

(8) Ranking criteria: revenue – Source: Safran.

(9) GNSS - Global Navigation Satellite System.

Space

Key characteristics of the business sector

Space offers an immense and still largely unexplored potential for services and applications, in understanding the universe, communication, navigation, meteorology, climate change monitoring, security, etc. All are matters of major political, economic, industrial and cultural importance. Space exploration missions are becoming more ambitious, with a growing number of private operators, satellite constellations, defense and sovereignty activities, in-orbit services around the planet, etc.

In this regard, Safran's long-standing customers include space agencies (ESA⁽¹⁾, NASA⁽²⁾ etc.) and integrators (Thales Alenia Space, ArianeGroup, Airbus Defence and Space, etc.), as well as New Space companies like Leaf Space (Italy) and U-Space (France).

Group products and programs

In the current context of growing development in the space sector, Safran intends to confirm its position as a key global equipment supplier, independent of space prime contractors, offering solutions to all satellite platform manufacturers and system prime contractors.

The space-related technologies of Safran Data Systems, Syrlinks, Safran Reosc and Safran Spacecraft Propulsion have been brought together under a single division. This division offers all its customers both purpose-designed solutions and a range of off-the-shelf products with comprehensive support services. This mission-critical equipment enables customers to build and operate complex systems to push back the boundaries of space exploration, strengthen national self-reliance and protect the planet.

Earth-space instrumentation and communication

Safran Data Systems supplies high-technology equipment and solutions for the acquisition, recording, telemetering, processing and management of flight test data, as well as for pilot mission tracking and space communications.

Safran's telemetry applications are primarily designed for use during the test, certification, calibration and maintenance campaigns run by test centers, missile and aircraft manufacturers, helicopters, civil or military drones and eVTOL craft. Safran's main competitors in this business are US-based, such as Curtiss-Wright in onboard telemetrics.

Safran supplies modular radio-frequency equipment and solutions, along with ground stations for satellites and constellations. Safran's WeTrack™ service is a worldwide network of RF sensors for space situational awareness (SSA), whose applications include monitoring geostationary satellites and detecting their maneuvers.

With its Syrlinks radiocommunications subsidiary, Safran offers satellite integrators a range of products enabling them to control their satellites and manage their data from the ground.

High-performance optics

Safran Reosc designs optical instruments for astronomy, space, lasers and industry. Its lenses, free-form mirrors and other components and subassemblies are engineered to the most demanding specifications of international research organizations and scientific programs.

Safran Reosc's capabilities and services cover: opto-mechanical and thin-film engineering; machining and weight-optimization for glass and vitroceraamic substrates; precision polishing for materials including glass, ceramics and silicon carbide; optic metrology for surface shape and structure at nanometric precision and extremely low asperity; thin-film optical deposition; and clean-room equipment assembly. Its production runs are usually short, for just a limited number of units or prototypes.

The main customers in this segment are the European Southern Observatory (ESO) in astronomy, major prime contractors and space agencies worldwide, institutes and major international scientific programs. As part of the EU Copernicus program, Safran Reosc is actively contributing to Earth observation capabilities, by designing such optical components as mirrors, dioptric subassemblies and filters. Depending on the application, Safran's main competitors are Thales, Hensoldt, AMOS (Belgium), L3 Harris Technologies and Coherent (United States).

Electric motors and propulsion subsystems for satellites and space probes

Safran Spacecraft Propulsion develops plasma propulsion, which is the preferred solution for satellite and space probe orbit raising and attitude and orbit control. This technology, also referred to as Hall-effect or stationary plasma propulsion, has a considerable advantage over traditional chemical propulsion systems as regards take-off mass.

Artificial Intelligence (AI)

Key characteristics of the business sector

For around a decade now, Safran's strategy with regard to accelerating digital transformation has involved developing tools, such as artificial intelligence (AI), to extract information from large quantities of operational and engineering data with the purpose of improving decision-making.

Through Safran.AI, the Group develops unique expertise in the design and industrial-scale implementation of deep learning algorithms to provide the most powerful AI solutions on the market. Safran.AI's proprietary methodology focuses on operational needs to facilitate close adaptation to a wide variety of application and environment scenarios (secure sites, cloud or embedded), in aerospace, aeronautics, defense and industrial applications. With its algorithm factory, the only one of its kind in Europe, Safran.AI industrializes the production capacities of AI detectors to shorten the research-to-production lead time, accelerate production through standardized processes and tools, and guarantee the traceability of design stages.

Safran's AI solutions are built to address user needs as closely as possible. The means customers (the main one being the French Ministry of the Armed Forces) along with partner states in America, Asia, Europe and NATO, and intelligence centers and manufacturers.

(1) European Space Agency.

(2) NASA – National Aeronautics and Space Administration.

Group products and programs

The Group intends to improve equipment maintenance, optimize production processes, automate inspections and quality control, strengthen safety, and develop advanced autonomous systems.

1.2.2.6 2024 highlights

Landing and braking systems

Landing gear: buoyed by growth in airframer deliveries, Safran delivered 1,071 landing gear systems across all programs (up from 995 in 2023). This upward trend in Safran landing gear deliveries remains stilted by capacity constraints in the Group's supply chain.

Safran renewed contracts to supply landing gear for the Airbus A320 and A350-900 programs, and was notified of contract extension for Dassault Aviation's Rafale program.

On the development front, Safran landing gear for the Airbus A321XLR aircraft and new iNLG landing gear for ATR aircraft have been certified. Safran also continued design and development work on the integrated landing system for US-based Bell Textron's FLRAA⁽¹⁾ tilt-rotor aircraft program. Safran is also actively preparing the first general overhaul campaigns for the A350, Boeing 787 and A400M.

Wheels and brakes: The Group's wheels and brakes business has been boosted by the recovery in air traffic and the increase in airframer production. New contracts have been signed for over 700 aircraft, with airlines including Air India (India), Japan Airlines (Japan), GOL (Brazil), Korean Air (South Korea) and Royal Jordanian (Jordan).

Development activities also advanced, with:

- certification for the "neo adapted" brakes on the new A321XLR aircraft, which entered service in late 2024;
- certification for new-generation brakes on A350-1000 aircraft;
- brake qualification for the future Boeing 777X long-haul aircraft.

Landing, orientation and braking control systems: Safran has obtained certification for the braking system and associated hydraulic equipment on the Airbus A321XLR program. The Group continued to develop braking systems and ECUs controlling the landing gear extension/retraction and nosewheel steering functions on Dassault Aviation's forthcoming Falcon 10X business jet, and completed the preliminary design phase for the braking system on Airbus Defence and Space's Eurodrone, the future European military reconnaissance drone.

To boost competitive performance, Safran pursues artificial intelligence (AI) work in processing information from images, video streams and acoustic signals, with ambitious plans on:

- digital product inspection, where AI is applied to image processing for defect recognition; and
- generative AI, which enhances the Group's knowledge and documentation bases, and boosts productivity.

Convergence across Safran.AI's expertise and Safran Electronics & Defense's mobile equipment also offers major development prospects.

Services for landing gear, wheels and brakes and related systems:

Safran signed an overhaul contract for landing systems with Air Algeria (Algeria), for seven Airbus A330 aircraft, and a contract extension with easyJet (United Kingdom) and IAG (Spain) for around sixty A320s. Safran has also been selected by Jetblue (United States) to overhaul the landing gear on its fleet of 102 A320 aircraft. Safran will then be overhauling some thirty Boeing 787s operated by Kenya Airways (Kenya), IAG and Thai Airways (Thailand), and a similar number of Boeing 737s operated by AeroMexico (Mexico) and Jet2 (United Kingdom).

Industrial operations: Safran inaugurated a new laboratory, named Newton, at its Vélizy-Villacoublay site, near Paris, specializing in the development and qualification testing of its wheels and carbon brakes. This laboratory boasts state-of-the-art testing facilities to bolster the Group's ability to offer customers ever more efficient, durable and competitive brakes, and to meet the challenges of rising production rates.

Engine systems and equipment

Nacelles and thrust reversers:

Safran deliveries in 2024 included:

- 622 nacelles for the A320neo and 62 nacelles for the A330neo, respectively 43 and 8 more than in 2023;
- 754 nacelles for business and regional aircraft, 242 more than in 2023, a figure boosted by deliveries of nacelles for the new Gulfstream G700 business aircraft program, which entered service in 2024.

A number of decisive advances were made in 2024 with:

- entry into service of Safran nacelles for the Pearl 700 engine on the new Gulfstream G700 long-range jet;
- delivery in Hamburg of the first Safran production nacelles for the A321XLR and the 4,000th Safran nacelle for an A320neo aircraft;
- delivery of the 330th nacelle for an A330neo aircraft;
- delivery of the 2,000th Safran thrust reverser for GE Aerospace CF34-8E engines powering the Embraer 175-E1 regional jet;

(1) FLRAA - Future Long Range Assault Aircraft.

- acquisition of 3DMF, a Netherlands-based company specializing in high-energy hydroforming of metal parts, a process that involves forming a ductile metal part by means of fluid pressure produced by a detonation. This innovative manufacturing process strengthens Safran Nacelles' development and production capabilities, both for nacelle and engine parts, including nozzles and air inlet lips, and in the manufacture of monolithic structural parts from thick plates.

Support and services for nacelles and thrust reversers:

Safran's business here continued to grow with the rollout of A320neo nacelle repair licenses with the three major global MRO players⁽¹⁾: ST Engineering (Singapore), Air France Industries KLM Engineering & Maintenance and Lufthansa Technik (Germany). The seven maintenance, repair and overhaul sites concerned are now operational.

Several maintenance service contracts were signed with SkyWest Airlines (United States), Delta Air Lines (United States), Republic Airways (United States), and two contracts with Sunclass Airlines (Denmark), bringing the number of aircraft under service contracts over the 1,000 threshold.

Recognition of Safran Nacelles' efforts in 2024 came with:

- seventh place in Airbus' top 50 after-sales suppliers;
- Best Collaboration Supplier Award at the Rolls-Royce Global Aerospace Conference in Bristol.

Electrical systems and high-tech engineering

Electric propulsion, generation and distribution systems:

Safran signed a contract with Bell Textron Inc. to supply starter-generator systems for the US Army's Future Long-Range Assault Helicopter (FLRAA) program. This Safran high-voltage starter-generator system will be capable of producing the power needed to meet the evolving electrical requirements of military aircraft. The equipment will be designed, developed and qualified at Safran's centers of excellence in Twinsburg (Ohio) and Sarasota (Florida) in the United States.

Safran was also selected by Boeing to supply the electrical generation system for NASA's (National Aeronautics and Space Administration) X-66 flight demonstrator. Safran's electrical generation system, comprising a variable-frequency generator and its control electronics, has been adapted for direct integration on the Pratt & Whitney GTF (Geared Turbo Fan) engine, and will provide electrical power of over 100 kW.

In early 2025, Safran obtained EASA certification for the ENGINEUS™ 100, the first electric engine certified to power new air mobility. ENGINEUS meets the various needs of the new mobility market because it can integrate into multiple architectures: from 100% electric propulsion for small 2- to 4-passenger aircraft, to distributed hybrid propulsion for 19-passenger regional jets, right through to electric hybridization for future generations of 150-passenger commercial aircraft engines.

Electrical Wiring Interconnection Systems (EWIS): Safran was selected by French aircraft manufacturer VoltAero to supply electrical wiring for the five-seat Cassio 330 electric-hybrid certification aircraft. Safran will be designing and manufacturing the electrical distribution system and electrical wiring for the propulsion system (a Safran ENGINEUS 100 electric motor). The wiring, qualified for power ratings up to 800 volts at continuous supply, will be designed to withstand partial discharge at altitude.

Electrical components: Safran continued to restructure its electrical components business (Safran Electrical Components), and took steps to improve competitiveness and control costs, in particular by streamlining its industrial footprint. R&T efforts have been focused on innovative technologies that are in line with the Group's roadmap (notably high-power connectors for the electrification of aircraft propulsion, high-temperature elastomers, and electromagnetic protection for high-thrust harnesses).

Industrial operations: Safran celebrated the opening of a new 13,500 m² plant at its Chihuahua campus in Mexico, specializing in the manufacture of electrical wiring for the Boeing 737, Boeing 767 and Boeing 777 programs.

Aerosystems

In **Safety and Protection Systems**, Safran finalized the acquisition of Air Liquide's oxygen and nitrogen aeronautical businesses in February 2024. This acquisition brings Safran expertise in On-Board Oxygen Generating Systems (OBOGS), and rounds out its product range in equipment designed to ensure the safety of both crews and passengers on board civil and military aircraft.

Safran's new Light Weight Emergency Slide (LWES) for the Airbus A320 program has been certified. This uses a new, lighter material, bringing the weight of the equipment down while offering better performance than that of current platform slides.

Safran's efforts on emergency evacuation systems were also recognized by Chinese aircraft manufacturer COMAC, with a Production Ramp Up Award for the C909 and C919 programs.

A strategic partnership was signed with Vietjet (Vietnam) to supply safety equipment for the airline's B737 MAX aircraft. This partnership covers both the supply by Safran of essential safety components including liferafts, protective breathing equipment, portable oxygen cylinders and masks (POCA - Portable Oxygen Cylinder Assembly), life jackets, and support services to be provided by Safran Aerosystems Services Asia, based in Singapore.

In **integrated fluid and fuel management and control systems**, Safran was selected by Airbus Defense & Space and Leonardo to supply the fuel distribution system and the ice detection and protection system for the future European MALE RPAS (Medium Altitude Long Endurance Remotely Piloted Aircraft System) drone (Eurodrone). The Group will be designing, developing, qualifying and producing this equipment.

(1) MRO: Maintenance, Repair and Overhaul.

In **industrial operations**, Safran announced the construction of a new aeronautical equipment plant, making evacuation systems and seat components, in Chihuahua, Mexico. This is due to open in 2025.

Safran also continued to expand its production capacity in France, launching the construction of new buildings in:

- Cognac (Charente), for its rescue buoyancy and rafting activities;
- Soignolles-en-Brie (Seine-et-Marne) and Caudebec-lès-Elbeuf (Seine-Maritime) for fluid and fuel control systems.

Electronics and defense

Avionics

Actuation systems: On July 21, 2023 Safran announced the contemplated acquisition of Collins Aerospace's high-technology actuation and flight control activities, which are mission critical for commercial and military aircraft and helicopters.

On November 20, 2023, Safran was informed of the Italian government's decision to exercise its "Golden Power", thus opposing the sale to Safran of Microtecnica S.r.l.⁽¹⁾

The Group subsequently made a number of commitments, compatible with the targeted objectives of this acquisition, which address the concerns expressed by the Italian government and provide adequate safeguards of Italian national interests. On June 6, 2024, Safran was then informed by the Italian government of its decision ultimately to approve the sale to Safran of Microtecnica S.r.l.

In the United Kingdom, the Secretary of State reviewed the notification made under the National Security and Investment Act and informed Safran that he will take no further action in relation to the proposed acquisition. This constitutes an unconditional clearance.

In the United States, the Committee on Foreign Investment in the United States (CFIUS) approved the proposed acquisition on January 16, 2025.

To obtain the necessary merger control approvals, Safran has initiated the sale of its electromechanical actuation business, as described in the section below.

Completion of this proposed acquisition therefore remains subject to obtaining the necessary merger control approvals, notably conditional on the approval and completion of the sale of the electromechanical actuation business.

On December 20, 2024, Safran announced that it had signed a definitive agreement to sell to Woodward its electromechanical actuation business in the United States, Mexico and Canada.

This transaction includes intellectual property, operations assets, talent and long-term customer agreements for Horizontal Stabilizer Trim Actuation (HSTA) systems⁽²⁾ for aircraft stabilization to support safe and efficient flight.

The sale will also include other electromechanical products and electronic control units with a portfolio of commercial airliner and business aircraft applications.

The transaction marks another important milestone towards the acquisition by Safran of Collins Aerospace's actuation and flight control activities.

It is expected to close sometime in mid-2025, once all customary terms and conditions of the agreement are met and regulatory requirements are fulfilled, subject to obtaining the merger control approvals enabling Safran to complete its acquisition of Collins Aerospace's flight control and actuation businesses.

Data services: several contracts for the Cassiopée™ flight data analysis service were signed, as with the Korea Institute of Aviation Safety Technology (KIAST) and the airlines China Southern Airlines (China), Air China Inner Mongolia (China), Canaryfly (Spain), Condor (Germany), Indigo (India), Uni Air (Taiwan), Tassili Airlines (Algeria) and Gulf Air (Bahrain).

Electronics and critical software: The Safran subsidiary Asterios Technologies announced the release of a new version of its Asterios software suite, for developing real-time mission-critical software applications for systems with multicore electronic boards. Asterios addresses software development needs in fields where safety and reliability are prime concerns, such as aeronautics, new airborne mobility systems, drones, space, defense, nuclear power, etc. For example, Safran uses Asterios in systems as diverse as a secure flight control system, the Skynaute inertial unit, and the new control system for the M88 engine that powers the Rafale.

Safran Electronics & Defense and the French Civil Aviation Authority (DGAC) signed a support agreement for the OHPERA R&T project, which is to demonstrate the technical and economic feasibility of a processor based on the new Risc-V Open Hardware architecture for critical civil applications (flight controls, FADEC, etc.) on future single-aisle aircraft (NSA). Airbus, Thales and ONERA are also involved in this project.

Cockpit and HMI (Human Machine Interface) solutions: Safran Electronics & Defense has been selected by US aircraft manufacturer JetZero to develop pilot controls for its Blended Wing Body demonstrator aircraft. Safran will be supplying the throttle, rudder, airbrake and flap controls, and cockpit components.

Aeronautic navigation: Safran Electronics & Defense has received an order from US aircraft manufacturer JetZero to supply SkyNaute inertial navigation systems for its Blended Wing Body aircraft demonstrator.

At the same time, Safran Electronics & Defense and the French Civil Aviation Authority (DGAC) have signed a support agreement for the RESIN (RESilient and Safe Inertial Navigation) project. This R&T project targets new technologies for the resilience of navigation systems in civil aeronautics, and the optimization of development and production processes for inertial units.

(1) The company holding the assets included in the acquisition located in Italy.

(2) Notably used for the Airbus A350.

Defense

For wider access to major US Department of Defense (DoD) contracts, the Group founded Safran Defense & Space Inc., which operates under US Special Security Agreement (SSA) and Defense Secret status. Safran Defense & Space Inc. comprises two of the Group's US companies: Safran Optics 1 and Safran Data Systems Inc. which already had these approvals. A third company, Safran Federal Systems, will become part of Safran Defense & Space Inc. in 2025. Other Group companies are also likely to join them in time.

Air-land combat systems: following certification in 2023, the first series-production Patroller tactical UAV system was delivered to the French army.

Safran, in partnership with Edge Autonomy (United States), has unveiled its new Lanner vertical take-off and landing (VTOL) tactical drone. This drone, based on the US company's "Penguin" platform, was specifically designed to meet the requirements of the French Armed Forces' SCTL (light tactical drone system) program. The Lanner drone can carry two loads simultaneously: electro-optical or infrared systems, electronic warfare systems (for radio signal detection or jamming, for example), radar or munitions. This means it can carry out various types of mission, in intelligence, surveillance and reconnaissance, on land and at sea.

Safran also launched its Skyjacker anti-drone solution, which not only took part in the protection arrangements for the Paris 2024 Olympic and Paralympic Games, but was also embarked aboard French Navy frigates deployed in the Red Sea as part of Operation Aspidès. Trials carried out in the spring had already proved particularly conclusive, confirming Skyjacker's value as an effective and cost-efficient means of protecting front-line vessels against drone threats.

Onboard electronic equipment: Safran has been selected to supply the PASEO Artillery Observation and Designation advanced panoramic sighting system for integration on Hanwha Defence Australia's Redback infantry fighting vehicle (IFV). This advanced solution from Safran's PASEO system provides long-range intelligence, surveillance, target acquisition and reconnaissance capabilities for the Redback IFV supplied by Hanwha to the Australian Defence Force (ADF) under the LAND 400 Phase 3 project. The contract provides for the production and delivery of PASEO sights and associated equipment.

The French Directorate General of Weapons Procurement (DGA) awarded the contract to modernize the sights on the upgraded Leclerc tank to the joint venture (Groupement Momentané d'Entreprises - GME) comprising KNDS France and Safran Electronics & Defense. The tank's "observation and engagement" functions will benefit from the latest optronic and inertial technologies, based on Safran's 30 years of experience with the PASEO sight. The Leclerc tank sight upgrade program covers over 200 tanks, with production running until 2035.

In marine sights and periscopes, Singapore's Defence Science and Technology Agency (DSTA) selected Safran to equip its ships. The contracts signed cover the supply of optronic observation systems and processing units for GFCS (Gun Fire Control Systems) on the Singapore Navy's new MultiRole Combat Vessels (MRCV) and Offshore Patrol Vessels (OPV).

Safran was also chosen by the Egyptian Navy to equip ten Offshore Patrol Vessels (OPVs) with VIGY4 for optronics and Argonix for inertial navigation. These advanced systems from Safran will significantly enhance Egypt's naval defense technology. The contract was signed with NVL Egypt, a joint venture between the Egyptian government and Lürssen, a German company specializing in the shipbuilding industry.

In March 2024, faced with the growing threat of kamikaze drones in the Red Sea, the French Navy issued an "urgent operational requirement" to equip all FREMM and Horizon air defense frigates with Safran's PASEO XLR marine sights. With their sophisticated day and night observation capabilities, these provide earlier threat detection, for advance reaction and decision-making on the self-defense solution best suited to the situation.

Soldier equipment (portable optronics and parachutes): Safran has received several major orders from the NSP⁽¹⁾ on behalf of member countries, for EPC⁽²⁾ round parachutes and for JIM Compact and Moskito TI multifunction binoculars, confirming Safran's leading position in the high-performance multifunction binocular segment.

Lasers: the HELMA-P anti-aircraft system from CILAS was successfully deployed for anti-drone protection at the 2024 Olympic and Paralympic Games in the Paris region. The French Directorate General of Weapons Procurement (DGA) and CILAS continued the test campaign underway, with the French Navy in particular.

Navigation & Timing

Safran and Poland's Wojskowe Zakłady Elektroniczne (WZE) have signed a contract to supply around 200 Geonix™ inertial navigation and pointing systems to the Polish Armed Forces for use in the PILICA+ and NAREW air defense programs. The contract also includes the transfer of production of these inertial units to WZE. Safran will produce the main components, and WZE will assemble and test them before delivering the Geonix systems to the Polish Armed Forces.

At the same time, to optimize the field performance of its Geonix range of inertial sensors, Safran recently incremented it with a new NAVWAR option, an algorithm that detects decoy and jamming threats. This option enhances the reliability of inertial navigation data.

(1) NATO Support and Procurement Agency.

(2) EPC – "Ensemble de Parachutage du Combattant", Advanced Combat Parachute System.

For time servers, Safran signed a contract to develop a White Rabbit system for the UK Research and Innovation (UKRI) synchrotron (particle accelerator) near Oxford (United Kingdom). White Rabbit will enhance the performance of the British synchrotron through its ability to synchronize remote devices in under 5 billionths of a second (5 nanoseconds). This is the first time this Safran system has been selected for a scientific facility requiring time-critical precision.

Safran also unveiled NAVPULSE, a new naval data distribution unit (DDU) designed to centralize navigation data from all onboard sensors for optimized distribution. The aim is to offer an optimal navigation solution, meeting the rigorous demands of modern naval operations by incrementing an ultra-precise time server with algorithms to detect decoy and jamming attempts, thereby ensuring uninterrupted operation, data accuracy and reliability.

Space

Earth-space instrumentation and communication: Safran has signed a contract with the Swedish Space Corporation (SSC) to supply an optical ground station capable of communicating at data rates ten to a hundred times higher than radio-frequency communications. This new optical ground station, with laser telescope and optronic systems for optimum sky coverage, will be built in Chile in 2025. This marks a further milestone for Safran, which intends to play a leading role in this sector, while maintaining its leading position in radio-frequency communication solutions.

In monitoring satellites and detecting satellite maneuvers, the Safran WeTrack™ global network of radio-frequency sensors demonstrated its efficacy during the AsterX space threat military simulation exercise organized by the French Space Command⁽¹⁾. As of 2019, the French Space Command enshrined the use of the commercial WeTrack™ service in its strategy by renewing its satellite data orders for its entire global coverage.

In the field of satellite radio communications, the Safran subsidiary Syrlinks has been selected to supply the new-generation telemetry, tracking and control transceivers for Ghalam's forthcoming KazEOSat microsatellite⁽²⁾, which will be performing functions in resource monitoring and management, land use mapping and environmental monitoring.

High-performance optics: The Italian consortium AdOptica chose Safran to supply the thin blades for the MORFEO deformable mirrors in one of the first-light instruments for the Extremely Large Telescope (ELT) currently under construction in Chile. This further strengthens Safran's leading position as a manufacturer of thin blades for the deformable mirrors used in all terrestrial astronomy telescopes to improve image quality.

Electric motors and propulsion subsystems for satellites and space probes: Safran has announced the construction of a new assembly line for electric propulsion systems for small satellites in Colorado (United States). The aim is to meet growing demand from the commercial and defense sectors in the area. The US-made EPS®X00 system produced here will be supporting growth in the North American small satellite market. Designed to meet the specific requirements of the New Space market, it is extremely versatile and suitable for all types of low-Earth orbit applications.

Artificial Intelligence

Safran has acquired Preligens, one of the leaders in the aerospace and defense sector. The company was renamed Safran.AI. Preligens, founded in 2016, offers proven solutions based on artificial intelligence (AI) to analyze high-resolution images, FMV (full motion video) and acoustic signals. The acquisition enables Safran to accelerate progress on its digital transformation roadmap, diversifying Safran.AI's AI solutions for application to Industry 4.0 fields.

At the Eurosatory event, Safran launched its ACE (Advanced Cognitive Engine) on-board artificial intelligence solution to improve knowledge of the environment and provide decision-making support for forces in the field.

⁽¹⁾ The French Space Command (CDE) is a joint service of the French Army falling under the authority of Air and Space Force's Chief of Staff.

⁽²⁾ Joint venture between Kazakh company Kazakhstan Gharysh Sapary (KGS) and Airbus Defence and Space.

1.2.3 Aircraft Interiors

To ensure passenger safety and optimize comfort, Safran develops cabin interiors, passenger and crew seats, water and waste management systems, in-flight entertainment systems (RAVE™), and interior retrofit for commercial aircraft.

The aircraft interiors business addresses both airframers and operators. These airframers and operators see aircraft interior design as a factor in market differentiation and a marker of service level. They therefore demand high standards in both the appearance and the quality of aircraft cabin equipment.

Whereas most aircraft systems are usually specified by the airframer⁽¹⁾, interior furnishings for commercial aircraft are also specified by operators⁽²⁾. In addressing these needs, equipment suppliers also ensure that their products comply with the requirements set by civil aviation authorities such as the European Aviation Safety Agency (EASA) in Europe or the Federal Aviation Administration (FAA) in the United States.

The Aircraft Interiors business breaks down into two key sectors:

CABINS

50

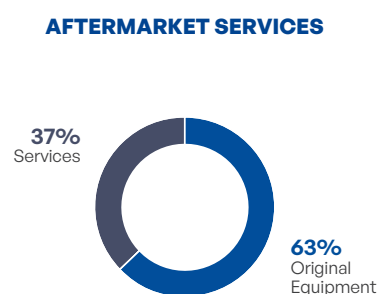
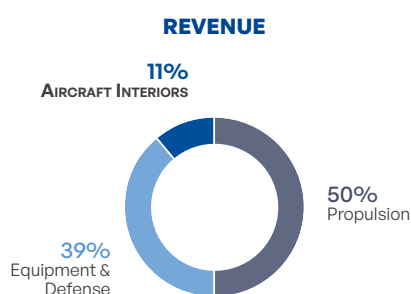
- Cabin interiors for commercial, regional and business aircraft
- Water and waste management systems
- Ventilation, air conditioning, in-flight entertainment and satellite connectivity systems
- Spare parts and services for cabin interiors

SEATS

51

- Seats for passengers, crews and helicopters

Adjusted key figures



(in € millions)

	2023	2024	2024/2023 change
Revenue	2,477	3,037	+23%
Recurring operating income	(116)	27	N/A
Profit (loss) from operations	(544)	(18)	N/A
Free cash flow ⁽¹⁾	(277)	(132)	+48%
Acquisitions of property, plant and equipment ⁽²⁾	52	61	+17%
Self-funded R&D	162	193	+19%
Headcount ⁽³⁾	15,626	16,644	+7%

(1) Free cash flow is equal to cash flow from operating activities less changes in working capital and acquisitions of property, plant and equipment and intangible assets.

(2) Net of proceeds from disposals.

(3) Registered at December 31, including fixed-term and permanent contracts.

(1) Supplier Furnished Equipment (SFE): equipment specified and purchased by the airframer, which offers operators one or more configurations from catalog.

(2) Buyer Furnished Equipment (BFE): equipment specified and purchased by the operator. For new equipment, fitting is usually delegated to the airframer.

1.2.3.1 Cabins

Cabin interiors for commercial, regional and business aircraft

Key characteristics of the business sector

The market for aircraft interiors, which cover a large part of what aircraft passengers see and use, is driven by the cabin design policies of operators (airlines, leasing companies) and maintenance centers.

This market is dominated by a few world players, including airframers themselves, as with Boeing Interiors Responsibility Center (United States) and aircraft equipment manufacturers such as Safran, AVIC Cabin Systems (China), Diehl (Germany), Collins Aerospace, JAMCO (Japan), TCI Aircraft Interiors (Turkey) and Bucher (Switzerland).

Group products and programs

Safran is a world leader in cabin interiors for commercial and business aircraft, through Safran Cabin.

Safran designs, certifies and manufactures equipment needed for fitting and retrofitting cabin equipment and furnishings. Here, Safran holds extensive expertise in high-tech molding processes and in advanced composite structures and cabin panels. Safran also offers customers an integrated equipment range with galleys, galley inserts, lightweight cargo containers, lavatory furniture, etc.

Cabins for VIP aircraft

The market for short- and long-haul VIP and Head of State aircraft is a highly specialized market with low volumes (5 to 20 aircraft per year worldwide) and custom-designed cabins.

Safran, through Greenpoint Technologies, is one of the world's leading players in this market, the main competitors in which are AMAC Aerospace (Switzerland), Lufthansa Technik (Germany), Jet Aviation (Switzerland) and Comlux (Switzerland).

Water and waste management systems

Key characteristics of the business sector

Water and waste management systems are an integral part of aircraft development programs. Safran's main competitors in this sector are Collins Aerospace and Diehl, which, like Safran, offer complete systems. A few niche players, such as Franke Aquarotter (Germany) and Adams Rite Aerospace of the Transdigm group (United States), specialize in specific components such as faucets and water heaters.

Group products and programs

Through Safran Cabin, the Group is one of the world's leading players in integrated water and waste management systems on aircraft, fielding expertise in development, certification, and production and aftersales support. Its solutions enjoy wide market recognition for innovation and extreme reliability.

Safran has developed cutting-edge technologies such as tanks in composite material, ultraviolet sterilization of drinking water, low-pressure pipes in composite material and a range of ultrasound level sensors. It offers drinking water management and distribution systems for different types of aircraft (commercial, business and military). The Group developed the first chemical lavatories and was one of the pioneers in vacuum-flush lavatories on planes. Its capabilities in this sector today extend to integrated waste and water management and drinking water distribution systems.

Ventilation and environment control systems

Key characteristics of the business sector

Air conditioning systems vary with market segment:

- in commercial and some business aircraft, they are powered by the auxiliary power unit (APU), meaning cabin air is constantly refreshed with air from outside;
- in aircraft without an APU, such as small private aircraft and helicopters, air conditioning systems use closed-loop circulation.

The main players in the commercial aircraft air conditioning market are Collins Aerospace, Honeywell and Liebherr, which offer integrated systems covering air conditioning, bleed air and de-icing systems. There are several key players in other market segments, including Enviro Systems (United States), Secan (France), Fimac (Italy) and Air Comm (United States).

Group products and programs

For airframer and system builder customers, Safran is present in the APU-equipped aircraft segment through Safran Ventilation Systems, which designs, qualifies, produces and markets ventilation equipment (low-pressure valves, flaps, fans, electrical and mechanical, filters, etc.) for cooling the cabin and avionics systems on commercial, business and military aircraft. Safran also provides a specific brake cooling system for all Airbus airframes.

A world leader in ventilation equipment for civil aviation, Safran Ventilation Systems has a presence with all major aircraft manufacturers. Safran also provides maintenance services directly to operators through a network of repair centers in Europe, the United States and Asia.

In-flight entertainment and satellite connectivity solutions

Key characteristics of the business sector

With air passenger volumes on the rise, and intensifying market competition, in-flight entertainment (IFE) offered on commercial aircraft is becoming an increasingly important customer appeal factor for airline companies. Through Safran Passenger Innovations, Safran has developed entertainment and connectivity systems that enhance aircraft passengers' well-being on board. The programs on this kind of fit-out usually have short development cycles, and Safran stands out from the competition in this segment due to its ability to offer complete systems.

Safran's main competitors in this market are Panasonic (Japan) and Thales.

Group products and programs

Safran offers a variety of innovative in-flight entertainment (IFE) and connectivity systems for commercial aircraft.

RAVE (Reliable, Affordable and Very Easy) is an innovative, stand-alone IFE system whose media content is displayed on the seat screen, which simplifies the onboard network and gives

passengers easy access to on-demand audio and video. As well as offering passengers a content and activities catalog, Safran's RAVE system also includes a connectivity solution, with a WiFi connection for broadband internet access. RAVE also offers lightweight screens with low electricity consumption, benefiting from a partnership with a major player in consumer electronics offering the latest technological advances in this field. With its uncomplicated design, RAVE also offers simplified maintenance and low cost of ownership.

Safran is also involved in secure, reliable global satellite connection systems through Safran-certified terminals fitted on Boeing (RAVE AeroConnect) and Airbus (Airspace LinkHBCplus) airliners.

Spare parts and services for cabin interiors

Safran provides maintenance and retrofit support for aircraft cabin interiors through a number of sites certified by civil aviation authorities such as FAA and EASA. Customers also have access to several authorized Group locations offering rapid fitting and repair, giving Safran the capability to upgrade and reconfigure any aircraft interior in accordance with operator requirements and applicable regulations.

1.2.3.2 Seats

Aircraft seats

Key characteristics of the business sector

Aircraft seats have to meet demanding requirements in terms of appearance and quality, because airline companies consider them an important brand image factor enabling them to stand out from the competition in terms of service quality. The equipment supplier adapts seats to the specific needs expressed by each individual airline company, which means production runs tend to be smaller and diversity wider. To reduce aircraft fuel consumption, seat weight is a determining factor.

This market is determined by growth in the air transportation market and by airline companies' cabin interior policies.

In addition to Safran, the other major players in aircraft seats are Collins Aerospace, Recaro (Germany) and Adient Aerospace (United States).

Group products and programs

Through Safran Seats, Safran is one of the world leaders in aircraft seats, with over one million seats installed on commercial aircraft flown by more than 150 airlines. Safran has a 26% market share in aircraft seats.

Safran expertise covers the whole seat manufacturing chain, from design and certification through to assembly. This expertise is applied to offer customers a full range of innovative and customized seats combining ergonomics, comfort, aesthetics and cabin space optimization, in terms of passenger and storage capacity, etc.

Passenger seats

Safran offers its customers a full range of passenger seats (Economy, Premium Economy, Business and First Class) for fitting on a wide range of aircraft. The seats address specific airline company needs on passenger comfort and satisfaction, and what can be tight operating constraints on efficiency optimization.

With its wide range of seats and ability to offer made-to-measure solutions, Safran meets the needs of individual airline companies of all business models and aircraft user profiles (low-cost through to five-star, regional operators, etc.).

Technical seats

Safran's expertise in technical seats for flight-deck and cockpit personnel covers all the features, technologies and materials needed for developing products that combine safety, quality and innovation.

Helicopter seats

Safran products meet the specific needs of the highly demanding market for seats for vertical take-off aircraft, integrating functions such as an energy absorption system for enhanced pilot and passenger safety along with innovative seat actuator systems and comfort functions.

Spare parts and services for seats

Safran provides worldwide sales and technical support throughout the service life of its seat products, meeting customer demand even in the most critical situations.

Safran services also extend to cabin retrofits. Given the service life of aircraft seats (five to fifteen years), cabins will need retrofitting two or three times during the aircraft's career.

1.2.3.3 2024 highlights

Cabins

Buoyed by recovery in the long-haul market, Safran's Cabin business saw strong demand from airlines for retrofits and a rise in service activities (mainly spare parts). Profitability was largely driven by service business, in galleys and water and waste management equipment, etc., and by the benefits of previous reorganizations.

Additionally, Safran Passenger Innovations made a positive contribution to recurring operating income, largely due to in-flight entertainment products.

Cabin interiors: the Group achieved a number of commercial successes, including:

- in North America:
 - Safran SpaceFlex equipment was chosen by two airlines to equip 59 aircraft in the A320 family. By combining galleys and lavatory units, SpaceFlex enables airlines to increase the number of seats in the aircraft,
 - the Safran NUVO range of electrical inserts was selected by two airlines to equip 26 A321XLR aircraft and 39 Boeing 787 aircraft;
- in the Middle East:
 - an operator decided to retrofit its 15 A380 and 75 Boeing 777 aircraft with Safran's top-line business class units;
- in Europe:
 - Safran's lavatory units were chosen for the refurbishment of 20 A350 aircraft,
 - Safran received orders for cabin refit equipment on Lufthansa (Germany) A350 aircraft.

Several lessors selected Safran cabin equipment, including:

- in the Middle East, Safran galleys for 42 Boeing 737 MAX aircraft; and
- in Asia, crew rest areas and galleys for five Avolon (Ireland) A330neo aircraft.

As well as supplying the new seats, Safran also provides the expertise needed for certification of the new cabin configurations.

Safran also offers solutions meeting specific operator needs in personnel training, flight-per-hour support, reliability and maintenance analysis, annual orders and advance stocks.

Water and waste management on board aircraft: Safran's CUBE galley waste disposal system won a Crystal Cabin Award⁽¹⁾ in the "Cabin systems" category. This system consumes 30% less water than a conventional galley waste disposal unit and features a UV light system to help suppress odors and prevent bacterial growth. The CUBE system also facilitates operations for the crew by freeing up space on the work surface.

In-flight entertainment solutions: Safran has unveiled the compatibility of certain versions of its RAVE in-flight entertainment system with extended reality equipment. This gives passengers access to an immersive cinematic experience, and enables airlines to differentiate themselves through the entertainment system while deploying a range of digital solutions.

Safran also launched its RAVE Cloud Services state-of-the-art cloud platform for in-flight entertainment and connectivity (IFEC). This offers distribution services and Edge Cloud Computing services for fast, remote updates of IT data via satellite, cellular and WiFi networks.

Satellite connectivity: Safran's satellite link equipment for commercial aircraft went into service on Emirates' and Ethiopian Airlines' new A350 fleets, and scored several major commercial successes, as with Thai Airways (Thailand), Turkish Airlines (Turkey) and Air Mauritius (Mauritius).

⁽¹⁾ Held annually in Hamburg, Germany, the Crystal Cabin Award is the international award for excellence in aircraft interior innovation.

Seats

Growth in the Seats business stems mainly from a sharp increase in business-class seat deliveries (2,482 units in 2024, up from 983 in 2023). Profitability here improved significantly in 2024, reaching operating breakeven through both services and original equipment volumes. Ongoing efforts in the industrialization and engineering processes are bearing fruit.

In economy and premium economy passenger seats, new orders have been signed with customers including:

- in the Middle East:
 - in the United Arab Emirates, an airline chose to retrofit 94 wide-body aircraft (Boeing 777X and A380) with 30,000 Safran economy-class seats,
 - in Saudi Arabia, following a major order for Safran business-class seats in 2023, the Safran Z200 seat was selected by an airline to equip 60 new A320neo aircraft, and
 - 91 wide-body aircraft (Boeing 777-300, Boeing 787 and A330) will be equipped with 2,000 Safran premium economy Z535i seats;
- in Asia:
 - the Safran premium economy Z535i seat was chosen by a Taiwanese airline for five Boeing 787-9s, 18 A350s and 14 Boeing 777s,
 - a South Korean airline ordered 2,672 economy-class seats, and
 - in Thailand, an order was signed for 1,450 Safran premium economy seats for 44 aircraft;
- in Europe, an airline completed its order for Safran Z110i Economy Class seats to equip its A220 aircraft.

In business and first-class seats, new orders included the following in Asia:

- in Taiwan, an airline will be the launch customer for the Safran Versa seat, which offers the comfort of a spacious, fully flat bed, for its future 18 A350 aircraft;
- the Skylounge Core seat has been selected to equip three A330 aircraft;
- in Japan, the Z600 seat was chosen to equip 21 Boeing 737 MAX aircraft as original equipment, and another airline chose the Z600 seat to retrofit six Boeing 767 aircraft.

The Euphony wireless system co-developed by Safran and the French company Devialet features loudspeakers on each side of the headrest, which adapt in real-time to the audio content and the ambient cabin noise, without disturbing other passengers. Several awards in 2024 attested to the quality of this system:

- a Good Design Award⁽¹⁾, in the Transport category;
- a RedCabin Trinity Award⁽²⁾ in the Passenger Experience Concept category.

1.2.4 Competitive position

Safran covers international high-technology markets in aerospace and defense.

In all these fields, Safran faces competition on both global and niche markets.

The Group operates in the strictest observance of all applicable rules on competitive business practice in all of its host countries, complying with all specific measures applicable to each market (see section 4.3.2.3).

To mobilize sufficient resources and share the industrial risks involved in innovative and costly programs, participants in the aviation industry can form partnerships capable of developing new technologies, products and services. Accordingly, it is not unusual to find otherwise rival companies joining forces on certain aviation programs.

(1) The Chicago Athenaeum (United States) Good Design Award is given in recognition of the year's most innovative industrial design products.

(2) RedCabin (Germany) is a company that organizes trade shows bringing together leading companies from the world of transport (aviation, automotive and rail).

1.3 INVESTMENTS

1.3.1 Research & Development

Safran is a high-technology group that offers high-value-added products and services. Technology and reliability requirements are high, consistent with the highly critical nature of the applications concerned. To meet these requirements, Safran harnesses highly specialized advanced expertise in many fields: mechanics, metals, composite materials, fuel and propulsion systems, aerodynamics, combustion, thermodynamics, electrics, electronics, sensors, signal processing, digital technologies, modeling and simulation.

Research and technology (R&T) comprises all studies, research and technological demonstrations needed to develop expertise for a given product while optimizing its risks, costs and timeframe.

Further downstream, research and development (R&D) corresponds to product design, prototype manufacture, development tests and certification tests showing that the product meets customer specifications and applicable regulations.

The Innovation Department spans R&T and R&D to nurture the emergence of new developments using innovative concepts and help Group companies identify, produce and validate proof-of-concept demonstrators, thereby shortening development lead times to meet time-to-market targets.

Around 16% of Group employees are involved in R&D activities. Safran's R&T and innovation projects are guided by forward-looking considerations, and the substantial budgets they draw are in line with the Group's current or targeted positions in its markets (see section 1.3.1.2).

1.3.1.1 Major technological focuses

Aircraft engine technologies and new propulsion configurations

Safran is an industry leader – due to its position in many aircraft-system segments, including energy systems – and demonstrated its commitment by dedicating around 88% of its self-funded R&T budget in 2024 to reducing the environmental impact of its products. Efforts are focused primarily on propulsion architectures, as is currently the case for the RISE™ program⁽¹⁾ as part of CFM International (see section 5.1.2.1), electrification, lightweight equipment design and enabling the increasing use of sustainable aviation fuels.

During the year, Safran made significant progress in the area of decarbonization, notably with Open Fan engine wind-tunnel testing as part of the RISE program and the inauguration in Belgium of the BeCOVER test rig, the only one of its kind in Europe, for full-scale testing of RISE compressors.

Safran's roadmap specifies contribution to a technological breakthrough in the form of an aircraft that consumes 30% less fuel compared to today's most efficient engines. Complemented by the widespread use of sustainable aviation fuels, this strategy aims to contribute to achieving net-zero emissions by 2050 (see section 5.1.2.1).

Under Safran's R&T policy, each company in the Group determines its own research programs for its products and services and concentrates on its own objectives. At the same time, the Group is constantly working to develop technology synergies between its various businesses.

R&T operations are guided by roadmaps charting the strategic challenges faced by Group companies (see section 1.3.1.1): competitive positioning sought at different timeframes, along with the corresponding technological demonstrations and fulfillment levers in terms of external partnerships and internal synergies. The roadmaps are analyzed on an annual basis by Group experts, who issue recommendations accordingly.

Safran Tech is one of Safran SA's business segments and the Group's R&T center. It is based in the Saclay high-tech cluster, France's largest science and technology campus, near Paris. Counting around 570 employees, Safran Tech is split into four units (energy & propulsion, materials & processes, electrical & electronic systems, and digital sciences & technologies). Safran Tech also runs platforms specially equipped for developing next-generation materials and processes: Safran Composites, Safran Ceramics, Safran Advanced Turbine Airfoils and Safran Additive Manufacturing Campus.

Information on technical and scientific partnerships, innovations, intellectual property and Safran Corporate Ventures can be found in section 5.1.4.4 - Innovation, support to research and scientific partnerships.

Electric technologies and new power configurations

The increased use of electrical energy for aircraft systems and actuators. The movement, which started with the A380 and Boeing 787 programs, will be a defining characteristic of the next generation of short- and medium-haul aircraft. The ultimate aim is overall aircraft energy optimization, covering energy production and energy consumption, for both propulsive and non-propulsive functions. The breadth of its aircraft engine and equipment expertise allows Safran to explore a huge spectrum of solutions for making tomorrow's aircraft more competitive, in terms of performance, functionality and cost of ownership (see section 5.1.2.1).

⁽¹⁾ RISE – Revolutionary Innovation for Sustainable Engines.

Materials and processes

The need to lighten planes, helicopters and their equipment has led to increased use of composite materials, high-performance metal alloys and additive manufacturing. Safran engines and equipment (whether nacelles, landing gear or brakes) are characterized by heavy mechanical loads and a more difficult environment than for other aircraft sections such as airframes. Safran develops its composite materials solutions through the resources and expertise in organic matrix composites fielded at the Safran Composites Center (part of Safran Tech). Safran Ceramics, the Group's center of competence for these technologies, provides core expertise in thermostructural composites for aircraft engines, a major technological challenge addressed by substantial research efforts. This research, along with work on new metal alloys, and on high-performance coatings compliant with European REACH⁽¹⁾ regulations, is coordinated by the Materials and Processes Department. Regarding metallic materials adapted to very high running temperatures, the platform for developing new monocrystalline casting techniques with engine applications opened in 2019.

Safran gives priority importance to stepping up materials research using data analysis and digital physics. The application of statistical learning in mechanics opens up new possibilities in the understanding of mechanisms and for ultra-fast simulations of the properties of materials usage. With this in mind, Safran founded the BIGMECA chair in 2019 with the Mines ParisTech engineering school, which uses academic research for industrial purposes. In 2021, Safran also signed a framework partnership agreement on research and training with the École Centrale de Lyon. This new agreement aims in particular to organize research in the fields of aeroacoustics, aerodynamics, structural dynamics and tribology.

R&T work on materials and processes takes into account Safran's technology roadmap dedicated to product recyclability (see section 5.1.2.3).

Additive manufacturing

Additive manufacturing provides an opportunity to improve costs, cycles and performance for numerous engine and aircraft equipment components, by reducing the number of parts and components and introducing new methods of optimizing design. Certification has already been obtained for parts including fuel injector nozzles and combustor swirlers for helicopter engines produced via laser melting, whereby an assembly of 15 components can be replaced by a single part.

Safran has decided to centralize all its metallic additive manufacturing capabilities at a new Safran Additive Manufacturing Campus. All the Group's operations in research, industrialization and production of additive manufacturing components are housed at the new site in Le Haillan, near Bordeaux (France), where more than a hundred engineers, PhD students, technicians and other employees work to ensure optimally efficient rollout across all relevant products.

Digital technologies and digital transformation

Industry 4.0

Product design, production, maintenance and service tools and resources benefit from Safran's investments in digital solutions such as augmented reality, robotics, imaging, artificial intelligence and data use. These new applications significantly improve operational performance in terms of the cycle, cost and quality of high-tech products developed, manufactured and rolled out by the Group.

Automatic imaging solutions (based on machine learning) developed by Safran Tech for non-destructive testing of complex parts are already used in the Group's plants.

Data processing

Innovation efforts are called for to address the growing role played by services in the Group's operations. Techniques used to diagnose and forecast the condition of aircraft and helicopter equipment and systems bring value for Safran product users, as regards both operational considerations (optimization of maintenance) and fleet management support (evaluation of residual value). To address this need, Safran is developing its Monitoring Services system for managing fleet equipment operating data.

Big data extraction techniques offer promising development opportunities. Here, the Safran Analytics teams at the Safran Tech site, with the support and product expertise of every Group company, will be stepping up deployment of more agile services, better oriented to value creation for aircraft operators. Safran Analytics has designed and rolled out its own big data platforms to facilitate the Group-wide implementation of data analytics solutions. One of the first services offered in these analytics environments enabled Group companies to access aircraft trajectory data, to improve their understanding of how Safran products are used by customers, and thereby help them to reduce operating costs, fuel consumption and carbon emissions.

To boost competitive performance, Safran pursues artificial intelligence (AI) work with ambitious plans on:

- digital product inspection, where AI is applied to image processing for defect recognition; and
- generative AI, which enhances the Group's knowledge and documentation bases, and boosts productivity.

Electronics, digital platforms and critical software

Given that onboard electronics technologies for harsh environments are a central feature of many Group products, Safran Electronics & Defense runs projects on controller architectures featuring more efficient processors, and on component packaging capable of withstanding the higher temperature environments of future aircraft systems (see section 1.2.2.5 – Electronics & Defense).

(1) Registration, Evaluation and Authorisation of Chemicals.

Navigation and autonomy technologies

Air, land, sea, satellite and defense equipment navigation markets are constantly evolving and expanding. Operational and economic gains are sought by integrating mobile platforms into cooperative groups, by increasing autonomy, and by ensuring land-onboard continuum via secure links. Quests such as these prove to be powerful drivers of renewed demand and technological development. Safran is actively preparing the shift to autonomous systems for civil and defense applications based on technologies developed in optronic sensors, inertial navigation, critical onboard electronic systems and image processing and analysis. In 2022, Safran stepped up its operations in satellite positioning, aircraft locator and distress beacons, and military applications, with the acquisitions of:

- Orolia, a specialist in Positioning, Navigation and Timing (PNT) technologies and equipment; and
- Symlinks, a company specializing in radiocommunications and geolocation, mainly for space applications and PNT.

Specific work focuses on robust and reliable artificial intelligence for autonomous functions, in close collaboration with the scientific community (Trustworthy AI research program).

Safran's approach relies strongly on breakthrough HRG technology⁽¹⁾, whose characteristics make it possible to design and produce world-leading compact navigation equipment and weapons at competitive costs. Through its subsidiary Safran Electronics & Defense and the Safran Tech sensors unit, the Group continues with the development of MEMS technology⁽²⁾ accelerometers and gyrometers for portable geolocation applications. With its prime expertise in high-integrity navigation systems, Safran Electronics & Defense leads the field in drone navigation.

Safran harnesses advanced optronics and ICT⁽³⁾ to develop innovations that will help the Group offer enhanced operational efficacy to armies, navies and air forces. Optronics needs range from imagers operating in one or more wavelength bands through to full image processing systems handling monitoring, detection, identification, fire control and self - protection.

The use of sensors and artificial intelligence in an integrated system resulted in eTracer, an autonomous vehicle demonstrator for military applications which can transport infantry equipment on the ground and navigate autonomously. The demonstrator helped Safran win the FURIOUS (*Futurs systèmes Robotiques Innovants en tant qu'OUtils*) contract put out for tender by the French Directorate General of Weapons Procurement (DGA). The science and technology program aims to develop innovative robotic systems for mounted and dismounted combatants and covers autonomous vehicles, small land robots and a drone, laying the groundwork for autonomous and collaborative combat systems under the Scorpion modernization program. Proficiency in technologies merging navigation and environment perception data also enables the development of piloting assistance applications for all types of aircraft.

Designing the cabin of tomorrow

Through system integration and optimization, the aircraft cabin of the future will offer passengers increased comfort and an enhanced traveling experience. Developed at the Safran Cabin Innovation (SCI) design studio in Huntington Beach, CA (United States), Safran cabin innovations go beyond the traditional goals of reducing costs and weight to focus on enhancing the passenger experience. Through Safran Cabin Innovation, the Group offers its customers opportunities for improving sales (by adding seats capable of generating revenue or providing new services), offering an improved passenger experience (with a more spacious and comfortable cabin, new features, etc.), and creating or enhancing brand image (through distinctive service, design and products). Cabin equipment connectivity also paves the way for increased aircraft productivity (predictive maintenance for operational availability).

(1) HRG: Hemispherical Resonator Gyroscope.

(2) Micro Electro Mechanical Systems.

(3) Information and Communication Technologies.

1.3.1.2 Research and development expenditure

Total research and development outlays, including R&D sold to customers, stood at €1,980 million in 2024, compared with €1,818 million the year before.

Self-funded R&D expenditure before tax credits rose by €132 million over the year to €1,348 million, of which:

- €677 million in development expenses (€618 million in 2023);
- self-funded research & technology (R&T) expenditure of €671 million (€598 million in 2023), primarily dedicated to the energy efficiency of Safran products.

(in € millions)	2023	2024	Year-on-year change
Total R&D	(1,818)	(1,980)	-162
R&D sold to customers	602	632	+30
R&D expenditure	(1,216)	(1,348)	-132
As a % of revenue	5.2%	4.9%	-0.3 pts
Research tax credit	159	178	+19
R&D expenditure after research tax credit	(1,057)	(1,170)	-113
Gross capitalized R&D	319	325	+6
Amortization and impairment of R&D expenditure	(255)	(283)	-28
Impact on recurring operating income	(993)	(1,128)	-135
As a % of revenue	4.3%	4.1%	-0.2 pts

Expensed R&D's impact on recurring operating income came to €1,128 million (€993 million in 2023), with an increase in both capitalized R&D and the related amortization and depreciation expense. It represented 4.1% of revenue (4.3% in 2023).

1.3.2 Industrial investments

1.3.2.1 Main industrial investments

Safran's industrial investments totaled €1,044 million in 2024.

These investments are intended to prepare the Group for:

- the expected growth in business;
- the industrial upgrades needed for performance improvements;
- structural supply chain difficulties;
- new programs.

Geographic area (in € millions)	2023	2024
France	543	648
Europe (excluding France)	79	107
Americas	142	171
Asia and Oceania	35	97
Africa and Middle East	24	21
TOTAL	823	1,044

The main industrial investment projects launched in 2024 concerned:

- the construction of a Safran Aircraft Engines engine maintenance workshop in Casablanca (Morocco), as well as the development of maintenance tooling for the LEAP engine by Safran Aircraft Engines;
- the upgrade of the Safran Helicopter Engines helicopter engine maintenance workshop in Brazil;
- the expansion of the Safran Aircraft Engines LEAP production (fan modules, turbines) and final assembly site in Queretaro (Mexico);
- the construction of a new Safran Aircraft Engines test bench in Queretaro (Mexico);
- the entry into service of a new Safran Aircraft Engines LEAP engine maintenance facility at Brussels airport.

Other projects included:

- the construction of a new foundry site handling turbine blade production in Rennes by Safran Aircraft Engines;
- the entry into service of a new Safran Aero Boosters compressor test center in Herstal (Belgium);
- the new Safran Aircraft Engines maintenance and repair facility for LEAP engines in Hyderabad (India);
- the upgrade of the Safran Power Units site in Toulouse;
- the renovation of a Safran Helicopter Engines Industrial Skills Center in Tarnos;
- the expansion of the Safran Aerosystems and Safran Electrical & Power sites in Morocco.

1.3.2.2 Industrial policy and digital transformation

Safran is an established industry reference and a major participant in its core businesses of aerospace and defense.

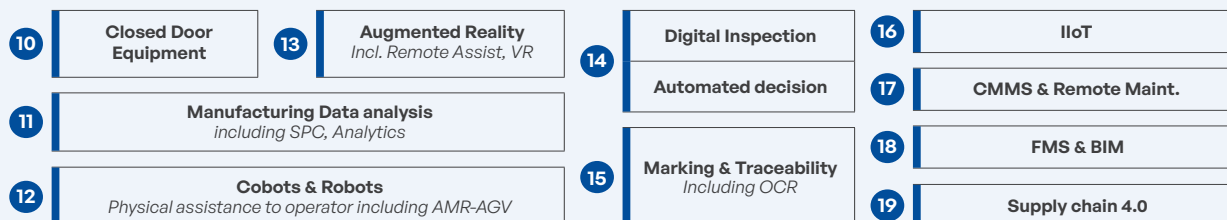
This demand for performance and innovation, which is central to the success of Safran's products and services worldwide, is also present at the level of the Group's plants. Working with Safran's Industrial Management Department, Group companies focus their investments and organization on adapting production sites, preparing for tomorrow's industrial challenges, and developing competitive advantages: expertise in new production technologies, supply chain upgrades, and upskilling.

Through its constant drive for excellence, Safran stands as one of Europe's leading groups in the concrete implementation of technologies and innovative processes driving the digital transformation of industry. Three years ago, Executive Management launched an ambitious digital transformation plan that is being implemented through a 4.0 strategy with five

streams: Development 4.0, Manufacturing 4.0, Supply Chain 4.0, Customer Support, Sales & Services 4.0 and Employee Workplace 4.0, all based on a cross-functional Data 4.0 approach. The 4.0 strategy is spearheaded by a central team that provides a shared vision, assistance, methodology and standards, with support from corresponding teams in each of the Group's companies. The Manufacturing 4.0 digital transformation framework spans three broad areas covering 18 specific fields:

- foundations – operational systems behind digital continuity (PLM, ERP, MES, connectivity, 5G, etc.)⁽¹⁾;
- Lean 4.0 – which defines how to identify systems and levers for improving performance on each production line;
- digital levers – warehouse and shop floor digital solutions (cobots, augmented reality, data analysis for production, digital inspection and decision support, etc.).

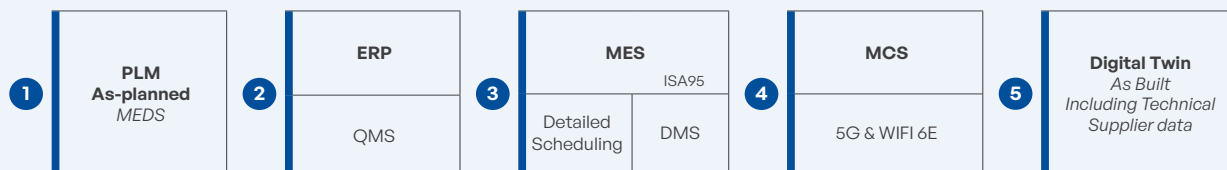
Lean 4.0 Levers



Lean 4.0 Methods



Systems & Data foundations



(1) PLM-MEDS – Product Lifecycle Management – Manufacturing Engineering Data System; ERP: enterprise resource planning; MES: manufacturing execution system; MCS: manufacturing control system; 5G: fifth-generation wireless communication solution.

There is a very strong focus on the Digital Inspection field, aided by artificial intelligence and the Safran.AI subsidiary, which will be supplying AI algorithms for image processing. In addition, €50 million has been earmarked for the medium-term plan (MTP) and almost 100 projects have been identified.

An updated production scope study confirmed 100 priority sites with 695 "new" production lines (component manufacturing and assembly) and 99 maintenance, repair and overhaul (MRO) production lines. In 2024, Group companies ran Diagnostics 4.0 assessments on an additional 100 production lines, taking the total number of production lines assessed in this manner to over 300. Through SaaS technology (a cloud-based application), deployment has accelerated solutions for tracking day-to-day actions (DMS), quality management (QMS) and simulation and flow management tools. Physical assistance solutions for operators (cobots) and geolocation (IOT) have also been implemented.

These accelerations were made possible by significant advances in solution maturity (operational relevance, IT integration and procurement contracts).

Safran's steadfast commitment to innovation and excellence also applies to suppliers, as demonstrated through the acceleration of its supply chain transformation endeavor. Managing physical flows of parts and subassemblies is a critical factor in fulfilling Safran's commitments to customers and

managing inventory and work-in-progress. Launched in 2023, the 2025 Supply Chain transformation project is based on three pillars:

- supplier performance management;
- increasing the maturity of the Group's supply chain management processes;
- sharpening industrial skills.

To support the transformation plan, and in order to meet the challenges of managing our suppliers, a Supply Chain 4.0 stream was created in 2023. Thanks to this new organization, "Control Tower" supply chain solutions which control assembly kit completeness and supply flows have been rolled out at 78 sites.

In 2024, the "Zero Missing Parts" short-term initiative focused on:

- controlling critical supplier capacity;
- accelerating the deployment of supply best practices;
- rolling out and providing digital tools for early detection of stock-out risks.

On the training front, to support employees throughout these transformations, Safran's Digital Academy platform now offers training courses in each of the Manufacturing 4.0 fields, and more than 4,500 courses were completed in 2024. A total of 10,000 training sessions have been completed since mid-2023.

1.4 SITES AND PRODUCTION PLANTS

Safran's headquarters are located in Paris, France.

The table below lists the Group's sites by main type of site activity, at December 31, 2024.

Figures and locations shown correspond to consolidated companies, as defined in section 3.1, Note 9 of this Universal Registration Document.

Safran Group sites at December 31, 2024	Main activities at Safran sites				Occupancy	
	R&D/ production	Services, maintenance & repair	Commercial/ administrative	Total sites ⁽¹⁾	Owner ⁽²⁾	Tenant
Safran Aircraft Engines	14	13	3	30	13	17
Safran Helicopter Engines	7	9	-	16	9	7
Safran Ceramics	1	-	-	1	1	-
Safran Aero Boosters	2	-	-	2	1	1
Safran Landing Systems	10	11	1	22	13	9
Safran Electrical & Power	32	7	5	44	9	35
Safran Passenger Innovations	1	-	1	2	1	1
Safran Transmission Systems	2	-	-	2	2	-
Safran Nacelles	7	2	-	9	7	2
Safran Electronics & Defense	41	3	9	53	16	37
Safran Aerosystems	15	8	-	23	13	10
Safran Cabin	24	5	5	34	3	31
Safran Seats	7	1	1	9	3	6
Safran Additive Manufacturing Campus	1	-	-	1	1	-
Aubert & Duval	11	2	6	19	7	12
Safran SA	2	-	10	12	4	8
Other	1	1	5	7	-	7
TOTAL	178	62	46	286	103	183

(1) Each site corresponds to a legal entity, covering one or more sites that may be used for tertiary, production, services or maintenance purposes.

(2) Including two sites under finance leases.

The Group historically owns its major and strategic production sites, and tends toward rental of its other sites.

The bulk of Group R&D work is carried out at its main production sites. For this reason, the table shows "R&D" and "production" in the same column.

Because of the diversity of Safran's operations, the notion of "production capacity" does not apply.

There were seven real estate transactions in 2024:

- the construction of a new foundry site handling turbine blade production in Rennes by Safran Aircraft Engines;
- the construction of a Safran Aircraft Engines maintenance and repair facility for LEAP engines in Hyderabad (India);
- the construction of a new Safran Cabin CZ building in Rokycany (Czech Republic);

- the extension of the Safran Aircraft Engines production site in Queretaro (Mexico);
- the extension of the Safran Aerosystems site in Tiflet (Morocco) and the Safran Electrical & Power site in Rabat (Morocco);
- the construction of a new Safran Aircraft Engines test bench in Queretaro (Mexico);
- the construction of a new Safran Aircraft Engines LEAP MRO workshop in Casablanca (Morocco).

Environmental factors liable to influence the Group's use of its property, plant and equipment are presented in section 5.1.2.1. Safran has a Health, Safety and Environment (HSE) policy and guidelines that enable it to assess the management of risks relating to its property, plant and equipment and its operations. It also regularly conducts self-assessments and audits.

1.5 COMMENTS ON THE GROUP'S PERFORMANCE IN 2024 BASED ON ADJUSTED DATA AND OUTLOOK FOR 2025

1.5.1 Reconciliation of consolidated data with adjusted data

Foreword

To reflect the Group's actual economic performance and enable it to be monitored and benchmarked against competitors, Safran prepares an adjusted income statement in addition to its consolidated financial statements.

Readers are reminded that Safran:

- is the result of the May 11, 2005 merger of Sagem and Snecma, accounted for in accordance with IFRS 3, "Business Combinations" in its consolidated financial statements;
- recognizes, as of July 1, 2005, all changes in the fair value of its foreign currency derivatives in "Financial income (loss)", in accordance with the provisions of IFRS 9 applicable to transactions not qualifying for hedge accounting (see section 3.1, "Basis of consolidation", Note 2.1).

As a result, Safran's consolidated income statement has been adjusted for the impact of:

- purchase price allocations with respect to business combinations. Since 2005, this restatement concerns the amortization charged against intangible assets relating to aircraft programs remeasured at the time of the Sagem-Snecma merger. With effect from the first half 2010 interim financial statements, the Group decided to restate:

- the impact of purchase price allocations for business combinations, particularly amortization and depreciation charged against intangible assets and property, plant and equipment recognized or remeasured at the time of the transaction and amortized or depreciated over extended periods due to the length of the Group's business cycles, and the impact of remeasuring inventories, as well as
- gains on remeasuring any previously held equity interests in the event of step acquisitions or asset contributions to joint ventures;
- the mark-to-market of foreign currency derivatives, in order to better reflect the economic substance of the Group's overall foreign currency risk hedging strategy:
 - revenue net of purchases denominated in foreign currencies is measured using the effective hedged rate, i.e., including the costs of the hedging strategy,
 - all mark-to-market changes on instruments hedging future cash flows are neutralized.

The resulting changes in deferred tax have also been adjusted.

Reconciliation between consolidated income statement and adjusted consolidated income statement

The impact of these adjustments on 2024 income statement items is as follows:

(in € millions)	2024 consolidated data	Currency hedging		Business combinations		2024 adjusted data
		Remeasurement of revenue ⁽¹⁾	Deferred hedging gain/loss ⁽²⁾	Amortization of intangible assets – Sagem/Snecma merger ⁽³⁾	PPA impacts – other business combinations ⁽⁴⁾	
Revenue	27,716	(399)	-	-	-	27,317
Other recurring operating income and expenses	(23,666)	(5)	10	41	263	(23,357)
Share in profit from joint ventures	136	-	-	-	23	159
Recurring operating income	4,186	(404)	10	41	286	4,119
Other non-recurring operating income and expenses	6	-	-	-	-	6
Profit from operations	4,192	(404)	10	41	286	4,125
Cost of net debt	157	-	-	-	-	157
Foreign exchange gains/losses	(5,180)	404	4,670	-	-	(106)
Other financial income and expense	(28)	-	-	-	-	(28)
Net financial income (expense)	(5,051)	404	4,670	-	-	23
Income tax benefit (expense)	284	-	(1,209)	(11)	(51)	(987)
Profit (loss) for the year	(575)	-	3,471	30	235	3,161
Attributable to non-controlling interests	(92)	-	(1)	-	-	(93)
ATTRIBUTABLE TO OWNERS OF THE PARENT	(667)	-	3,470	30	235	3,068

Readers are reminded that the consolidated financial statements presented in section 3.1 of this Universal Registration Document are audited by the Group's Statutory Auditors. The consolidated financial statements include the revenue and operating profit indicators set out in the adjusted data in section 3.1, Note 4, "Segment information and adjusted data".

Adjusted financial data other than the data provided in section 3.1, Note 4, "Segment information and adjusted data" are subject to the verification procedures applicable to all of the information provided in this Universal Registration Document.

Reconciliation of profit from operations with EBITDA

The reconciliation of profit from operations with EBITDA is as follows:

(in € millions)	2024 consolidated data	Currency hedging		Business combinations		2024 adjusted data
		Remeasurement of revenue ⁽¹⁾	Deferred hedging gain/loss ⁽²⁾	Amortization of intangible assets – Sagem/Snecma merger ⁽³⁾	PPA impacts – other business combinations ⁽⁴⁾	
Profit from operations	4,192	(404)	10	41	286	4,125
Net recurring charge to depreciation, amortization, impairment and provisions	1,560	-	(10)	(42)	(257)	1,251
Net non-recurring charge to depreciation, amortization, impairment and provisions	41	-	-	-	-	41
EBITDA	5,793	(404)	-	(1)	29	5,417

(1) Remeasurement of foreign-currency denominated revenue net of purchases (by currency) at the hedged rate (including premiums on unwound options) through the reclassification of changes in the fair value of instruments hedging cash flows recognized in profit or loss for the period.

(2) Changes in the fair value of instruments hedging future cash flows that will be recognized in profit or loss in future periods (€4,670 million excluding tax), and the impact of taking into account hedges when measuring provisions for losses on completion (a positive €10 million at December 31, 2024).

(3) Cancellation of amortization/impairment of intangible assets relating to the remeasurement of aircraft programs resulting from the application of IFRS 3 to the Sagem/Snecma merger.

(4) Cancellation of the impact of remeasuring assets at the time of the Zodiac Aerospace acquisition for €182 million excluding deferred tax and cancellation of amortization/impairment of assets identified during other business combinations.

PRESENTATION OF THE GROUP, REVIEW OF OPERATIONS IN 2024 AND OUTLOOK FOR 2025

Comments on the Group's performance in 2024 based on adjusted data and outlook for 2025

The impact of these adjustments in 2023 was as follows:

(in € millions)	2023 consolidated data	Currency hedging		Business combinations		2023 adjusted data
		Remeasurement of revenue ⁽¹⁾	Deferred hedging gain/ loss ⁽²⁾	Amortization of intangible assets – Sagem/Snecma merger ⁽³⁾	PPA impacts – other business combinations ⁽⁴⁾	
Revenue	23,651	(452)	-	-	-	23,199
Other recurring operating income and expenses	(20,441)	(3)	(7)	38	258	(20,155)
Share in profit from joint ventures	99	-	-	-	23	122
Recurring operating income	3,309	(455)	(7)	38	281	3,166
Other non-recurring operating income and expenses	(511)	-	-	-	-	(511)
Profit from operations	2,798	(455)	(7)	38	281	2,655
Cost of net debt	112	-	-	-	-	112
Foreign exchange gains/losses	1,850	455	(2,239)	-	-	66
Other financial income and expense	(4)	-	-	-	-	(4)
Net financial income (expense)	1,958	455	(2,239)	-	-	174
Income tax expense	(1,236)	-	581	(10)	(59)	(724)
Profit for the year	3,520	-	(1,665)	28	222	2,105
Attributable to non-controlling interests	(76)	-	(1)	-	-	(77)
ATTRIBUTABLE TO OWNERS OF THE PARENT	3,444	-	(1,666)	28	222	2,028

Reconciliation of profit from operations with EBITDA

The reconciliation of profit from operations with EBITDA is as follows:

(in € millions)	2023 consolidated data	Currency hedging		Business combinations		2023 adjusted data
		Remeasurement of revenue ⁽¹⁾	Deferred hedging gain/ loss ⁽²⁾	Amortization of intangible assets – Sagem/Snecma merger ⁽³⁾	PPA impacts – other business combinations ⁽⁴⁾	
Profit from operations	2,798	(455)	(7)	38	281	2,655
Net recurring charge to depreciation, amortization, impairment and provisions	1,269	-	7	(38)	(258)	980
Net non-recurring charge to depreciation, amortization, impairment and provisions	511	-	-	-	-	511
EBITDA	4,578	(455)	-	-	23	4,146

(1) Remeasurement of foreign-currency denominated revenue net of purchases (by currency) at the hedged rate (including premiums on unwound options) through the reclassification of changes in the fair value of instruments hedging cash flows recognized in profit or loss for the period.

(2) Changes in the fair value of instruments hedging future cash flows that will be recognized in profit or loss in future periods (a negative €2,239 million excluding tax), and the impact of taking into account hedges when measuring provisions for losses on completion (a negative €7 million at December 31, 2023).

(3) Cancellation of amortization/impairment of intangible assets relating to the remeasurement of aircraft programs resulting from the application of IFRS 3 to the Sagem/Snecma merger.

(4) Cancellation of the impact of re-measuring assets at the time of the Zodiac Aerospace acquisition for €198 million excluding deferred tax and cancellation of amortization/impairment of assets identified during other business combinations.

1.5.2 Overview of the Group's performance in 2024

Adjusted income statement

(in € millions)	2023 adjusted data	2024 adjusted data
Revenue	23,199	27,317
Other income	474	438
Income from operations	23,673	27,755
Change in inventories of finished goods and work-in-progress	1,001	995
Capitalized production	480	526
Raw materials and consumables used	(14,084)	(15,975)
Personnel costs	(6,758)	(7,792)
Taxes	(308)	(337)
Depreciation, amortization and increase in provisions, net of use	(993)	(1,270)
Asset impairment	(51)	19
Other recurring operating income and expenses	84	39
Share in profit from joint ventures	122	159
Recurring operating income	3,166	4,119
Other non-recurring operating income and expenses	(511)	6
Profit from operations	2,655	4,125
Cost of net debt	112	157
Foreign exchange gains/losses	66	(106)
Other financial income and expense	(4)	(28)
Net financial income (expense)	174	23
Profit (loss) before tax	2,829	4,148
Income tax expense	(724)	(987)
PROFIT FOR THE PERIOD	2,105	3,161
Attributable to:		
■ owners of the parent	2,028	3,068
■ non-controlling interests	77	93
Earnings per share attributable to owners of the parent (in €)		
Basic earnings (loss) per share	4.85 ⁽¹⁾	7.37 ⁽³⁾
Diluted earnings per share	4.70 ⁽²⁾	7.29 ⁽⁴⁾

(1) Based on the weighted average number of shares of 417,795,492 as of December 31, 2023.

(2) Based on the weighted average number of shares after dilution of 431,373,561 as of December 31, 2023.

(3) Based on the weighted average number of shares of 416,149,530 as of December 31, 2024.

(4) Based on the weighted average number of shares after dilution of 420,722,353 as of December 31, 2024.

Review of operations

Adjusted revenue

2024 revenue stood at €27,317 million, up by 17.8% compared to 2023 (+17.1% on an organic basis). Change in scope was €136 million⁽¹⁾. Currency impact was €12 million, with an average €/S spot rate of 1.08 in 2024 (stable compared to 2023). €/S hedge rate in 2024 stood at 1.12 (1.13 in 2023).

(In € million)	2023	2024	% change	% change in scope	% change currency	% change organic
Propulsion	11,876	13,652	+15.0%	-	-	+15.0%
Equipment & Defense	8,835	10,618	+20.2%	+2.2%	+0.3%	+17.7%
Aircraft Interiors	2,477	3,037	+22.6%	-2.5%	-0.1%	+25.2%
Holding company & Others	11	10	-9.1%	-	-	-9.1%
TOTAL GROUP	23,199	27,317	+17.8%	+0.6%	+0.1%	+17.1%

As for organic revenue per division:

- Propulsion was up by 15.0%, driven by civil aftermarket.

Supported by strong air traffic momentum, civil aftermarket (in USD) increased by 24.9%. Referring to our new civil engines aftermarket indicators, Services (in USD) were up by 38.0% led by LEAP rate per flight hour (RPFH) contracts and Spare parts (in USD) were up by 16.5%, with growth mainly attributable to CFM56 and high-thrust engines.

1,407 LEAP engines were delivered compared to 1,570 in 2023, down 10%. Lower volume was more than offset by customer mix and price. On December 9, 2024, the FAA and EASA certified the High Pressure Turbine hardware durability kit for the LEAP-1A engines that power A320neo.

Military engine revenue increased year-over-year, reflecting a higher level of services and a favorable OE customer mix, while M88 deliveries remained stable, with 40 deliveries compared to 42 in 2023.

Finally, helicopter engine revenue growth was led by higher turbine deliveries (notably Arriel) and service by the hour contracts;

- Equipment & Defense was up 17.7%, supported by all businesses.

Driven by increased air traffic notably in the widebody market, aftermarket services rose by 16.8% with growth across the board, particularly in landing systems, support for defense and avionics activities, and electrical & power systems.

OE sales grew 18.3%, boosted by higher volumes in nacelles (G700 entry into service in H1, A320neo) and electrical systems (787 and A320neo). In defense activities, the substantial growth was primarily led by guidance systems, optronics and onboard systems;

- Aircraft Interiors saw a solid 25.2% growth, although still 5% below 2019 levels. This growth reflects the recovery of the widebody market and airlines' eagerness for cabin retrofitting.

Aftermarket activities grew by 26.3% driven by both Cabin and Seats (mainly spare parts).

OE sales growth of 24.5% is primarily attributed to Seats, with a significant increase in Business class seat deliveries (2,482 units in 2024 vs 983 in 2023).

Adjusted recurring operating income

In 2024, recurring operating income reached €4,119 million, representing a substantial increase of 30.1% (+27.0% organic). This robust performance was mainly due to growth in services across the board and a relentless focus on operational excellence. It includes scope changes of €15 million and a favorable currency impact of €82 million.

Operating margin stood at 15.1% of revenue, up 150 bps (13.6% in 2023).

(1) Divestment of Cargo & Catering in May 2023. Acquisition of Thales Aeronautical Electrical Systems activities in October 2023, Air Liquide aeronautical oxygen and nitrogen activities in February 2024 and Prelligens in September 2024.

1 PRESENTATION OF THE GROUP, REVIEW OF OPERATIONS IN 2024 AND OUTLOOK FOR 2025

Comments on the Group's performance in 2024 based on adjusted data and outlook for 2025

(in € millions)	2023	2024
Adjusted recurring operating income	3,166	4,119
% of revenue	13.6%	15.1%
Total one-off items	(511)	6
Capital gain (loss) on asset disposal	(10)	83
Impairment reversal (charge)	(432)	(1)
Other infrequent & material non-operational items	(69)	(76)
ADJUSTED PROFIT FROM OPERATIONS	2,655	4,125
% of revenue	11.4%	15.1%

Per division:

- Propulsion recurring operating income reached €2,819 million. Operating margin stood at 20.6% of sales, up by 0.5 pts, supported by strong civil aftermarket activity benefitting from higher spare parts sales for CFM56. The share of LEAP RPFH contracts increased in 2024 with no margin recognition. As announced during the Capital Markets Day 2024, Safran will start recognizing profit for the LEAP-1A in 2025.

Growth in military services and in both OE and services for helicopter engines also contributed to the overall performance;

- Equipment & Defense recurring operating income stood at €1,298 million. At 12.2% of sales, operating margin increased by 1.0 pt driven by increased OE volumes, particularly in nacelles and Defense activities, as well as growth in services, notably landing gear and carbon brakes. Both OE and services for Aerosystems contributed positively, thanks to Fluid and Fuel systems and Safety systems.
- Aircraft Interiors posted a positive recurring operating income of €27 million, representing a substantial improvement of €143 million from 2023.

Cabin's profitability was supported by a strong level of activity in services notably for galleys as well as Water & Waste activities, and by impact of past restructuring.

Seats strongly improved in 2024 reaching breakeven thanks to both services and OE volume. Continued efforts in the industrialization and engineering process are bearing fruit.

Additionally, Safran Passenger Innovations made a positive contribution to recurring operating income, largely due to in-flight entertainment (IFE) products.

Adjusted financial income

The Group reported adjusted financial income of €23 million in 2024, compared to adjusted financial income of €174 million in 2023. Adjusted financial income for the year reflects:

- cost of debt, which showed a positive balance of €157 million in 2024, compared to a positive balance of €112 million in 2023. this change is mainly due to the increase in financial income on cash and cash equivalents;
- the €106 million foreign exchange loss in 2024 (€66 million foreign exchange gain in 2023), which includes:
 - non-cash expense of €47 million on provisions carried in US dollars resulting from the impact of fluctuations in the EUR/USD exchange rate between the start of the year (USD 1.11 to €1 at December 31, 2023) and the end of the year (USD 1.04 to €1 at December 31, 2024) on the opening amount of the provision (non-cash income of €28 million in 2023),
 - an expense of €54 million linked to foreign exchange losses on the remeasurement of cash current accounts held in currencies other than the reporting currency (income of €35 million in 2023).

Adjusted net income

In 2024, one-off items were €6 million including capital gain on asset disposal (Roxel), impairment charges for certain programs as well as other costs such as restructuring and integration expenses.

Net income (Group share) was up by 51% at €3,068 million in 2024 (basic EPS of €7.37 and diluted EPS of €7.29), compared with €2,028 million in 2023 (basic EPS of €4.85 and diluted EPS of €4.70).

This includes:

- Financial income of €23 million, including positive net financial interest of €157 million (returns on cash investments exceed cost of debt) and a negative €106 million exchange revaluation of positions in the balance sheet;
- Tax expense of €987 million (23.8% apparent tax rate).

1.5.3 Adjusted key figures by business

SUMMARY OF ADJUSTED KEY FIGURES BY BUSINESS

	Propulsion		Equipment & Defense		Aircraft Interiors		Holding company & Others		Total	
(in € millions)	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Revenue	11,876	13,652	8,835	10,618	2,477	3,037	11	10	23,199	27,317
Recurring operating income	2,390	2,819	992	1,298	(116)	27	(100)	(25)	3,166	4,119
Profit from operations	2,338	2,793	979	1,363	(544)	(18)	(118)	(13)	2,655	4,125
Free cash flow ⁽¹⁾	2,700	2,616	538	569	(277)	(132)	(16)	136	2,945	3,189
Acquisitions of property, plant and equipment ⁽²⁾	411	569	327	385	52	61	33	29	823	1,044
Research & Development										
Self-funded R&D	(570)	(644)	(484)	(511)	(162)	(193)	N/A	N/A	(1,216)	(1,348)
% of revenue	4.8%	4.7%	5.5%	4.8%	6.5%	6.4%	N/A	N/A	5.2%	4.9%
Research tax credit	67	74	87	99	5	5	N/A	N/A	159	178
Self-funded R&D after research tax credit	(503)	(570)	(397)	(412)	(157)	(188)	N/A	N/A	(1,057)	(1,170)
Capitalized expenditure	96	110	149	121	74	94	N/A	N/A	319	325
Amortization and depreciation of R&D expenditure	(124)	(123)	(97)	(112)	(34)	(48)	N/A	N/A	(255)	(283)
Impact on profit from operations	(531)	(583)	(345)	(403)	(117)	(142)	N/A	N/A	(993)	(1,128)
% of revenue	4.5%	4.3%	3.9%	3.8%	4.7%	4.7%	N/A	N/A	4.3%	4.1%
Headcount ⁽³⁾	27,901	29,782	45,007	48,846	15,626	16,644	3,450	4,092	91,984	99,364

(1) Free cash flow is equal to cash flow from operating activities less changes in working capital and acquisitions of property, plant and equipment and intangible assets.

(2) Net of proceeds from disposals.

(3) Registered at December 31, including fixed-term and permanent contracts.

1.5.4 Full-year 2025 outlook

Safran expects to achieve for full-year 2025 (at constant scope, i.e., excluding the planned acquisition of Collins Aerospace's actuation and flight control business, adjusted data):

- revenue growth: around 10%;
- recurring operating income: €4.8 to €4.9 billion;
- free cash flow: €3.0 to €3.2 billion, including an estimated negative impact of €380 to €400 million associated with the surtax on large companies, and depending on the payment schedule for certain advance payments and the rate of payment of state customers.

This outlook is based notably, but not exclusively, on the following assumptions:

- LEAP engine deliveries: up 15% to 20% compared to 2024;
- spare parts revenue (in USD): up around 9%;
- "Services" revenue (in USD): up mid-teens;
- €/ \$ spot rate of 1.10;
- €/ \$ hedge rate of 1.12.

The main risk factor is the supply chain production capability. In addition, this 2025 outlook excludes any potential impact of new tariff implementation.

1.5.5 Roadmap and medium-term ambitions

Roadmap

See section 1.1.5 Strategic priorities.

Medium-term ambitions

At constant scope, i.e., excluding the contemplated acquisition of Collins Aerospace's actuation & flight controls business:

- **Revenue growth over '24-'28 is expected to reach high-single digit CAGR⁽¹⁾** driven by air traffic growth, defense budgets, production ramp-up and pricing.
- **Recurring operating income should reach €6.0 to €6.5 billion by 2028**, representing a low-double digit CAGR expansion from 2024, with operating margin targets by division:
 - Propulsion: low twenties% each year (2024-2028) benefitting from a smooth CFM56-LEAP aftermarket transition,
 - Equipment & Defense: mid-teens% in 2028,
 - Aircraft Interiors: c.10% in 2028.

- **Cumulated Free Cash Flow generation over '24-'28 should reach €15 to €17 billion, representing an EBIT to FCF ratio of 65 to 70%**, driven by EBITDA growth while improving inventory turns, utilizing net Rafale advance payments, investing in capex and paying the French corporate surtax for an estimated amount, at December 5, 2024, of around €500 million over two years (2025/2026).

Safran's business model

Section 5.1.1.3 – Strategy, business model and CSR policy.

1.5.6 Portfolio management

The Group continues to actively manage its business portfolio (see section 3.1 – Note 2.2 – Changes in scope of consolidation).

1.5.7 Subsequent events

No significant events occurred between December 31, 2024 and March 28, 2025, the filing date of this Universal Registration Document.

(1) CAGR: compound annual growth rate.

1.6 COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

1.6.1 Consolidated income statement

The consolidated income statement at December 31, 2024 is presented in section 3.1.

Consolidated revenue

Consolidated revenue rose by 17.2% year-on-year to €27,716 million in 2024 from €23,651 million in 2023.

The difference between adjusted consolidated revenue and consolidated revenue is due to the exclusion of foreign currency derivatives from the adjusted figures (see section 1.5.1).

Year-on-year changes in revenue excluding the impact of adjusting items are analyzed above (see section 1.5.2).

Recurring operating income

Recurring operating income was €4,186 million in 2024 versus €3,309 million in 2023. The difference between recurring operating income and adjusted recurring operating income (see section 1.5.2), which came in at €4,119 million, reflects:

- Amortization charged against intangible assets measured when allocating the purchase price for business combinations, representing €327 million;

- A €394 million positive impact resulting from foreign currency hedging transactions.

Changes in adjusted recurring operating income are analyzed above (see section 1.5.2).

Profit from operations

Profit from operations increased by 49.9% year-on-year to €4,192 million in 2024 from €2,798 million in 2023. Profit from operations includes recurring operating income of €4,186 million (€3,309 million in 2023) and other non-recurring items, representing income of €6 million (expense of €511 million in 2023).

Year-on-year changes in adjusted profit from operations are analyzed above (see section 1.5.2).

Net financial income (expense)

The Group reported a financial loss of €5,051 million in 2024 versus financial income of €1,958 million in 2023.

Two items account for the difference between consolidated and adjusted financial profit (loss) for 2024 (see section 1.5.2):

- the €4,670 million loss on foreign currency hedging instruments, reflecting changes in the fair value of these instruments attributable to operating cash flows that will be recognized in profit or loss in future periods;
- the fair value of the portfolio reflects the immediate liquidation value of the portfolio at the closing rate for the year (USD 1.04 to €1) compared with the average rate of the portfolio.

The change in the fair value is theoretical for the Group, as currency hedges are unwound when future dollar inflows are received;

- the impact of foreign currency hedging on the portion of foreign currency denominated flows hedged by the Group, representing a negative €404 million impact in 2024. This foreign exchange loss reflects the loss on unwinding currency derivatives hedging operating cash flows recognized in profit or loss in the period. It represents the difference between the EUR/USD exchange rate guaranteed by the currency derivatives unwound in the period (USD 1.12 to €1) and the actual EUR/USD exchange rate observed during the period.

Income tax benefit (expense)

Income tax benefit in full-year 2024 came in at €284 million compared to income tax expense of €1,236 million in 2023.

Consolidated profit (loss) attributable to owners of the parent

This caption represented a loss of €667 million for 2024, compared with profit of €3,444 million for 2023.

Changes in adjusted profit are analyzed above (see section 1.5.2).

1.6.2 Consolidated balance sheet

The consolidated balance sheet at December 31, 2024 is presented in section 3.1.

1.6.3 Change in consolidated net debt

The year-on-year change in the Group's net debt for 2023 and 2024 can be summarized as follows:

(in € millions)	2023	2024
Cash flow from operations	3,512	4,726
Changes in working capital	758	7
CapEx (property, plant and equipment)	(823)	(1,044)
CapEx (intangible assets)	(179)	(172)
Capitalization of R&D	(323)	(328)
Free cash flow	2,945	3,189
Dividends paid	(583)	(970)
Divestments/acquisitions of securities and other	(2,002)	(855)
NET CHANGE IN CASH AND CASH EQUIVALENTS	360	1,364
Net cash (debt) at January 1	14	374
NET CASH (DEBT) AT DECEMBER 31	374	1,738

Cash flow from operations is calculated by taking profit or loss before tax and adjusting for income and expenses with no cash impact, for example net charges to depreciation, amortization and provisions, and changes in the fair value of financial instruments hedging future cash flows⁽¹⁾. Cash flow from operations before changes in working capital increased by €1,214 million year-on-year, from €3,512 million in 2023 to €4,726 million in 2024.

Operations generated €3,189 million of free cash flow (77% of adjusted recurring operating income in 2024 compared to 93% in 2023).

Dividends paid in the year totaling €970 million include €59 million in dividends paid by foreign subsidiaries to their non-controlling shareholders.

The net cash position was €1,738 million at December 31, 2024, compared to a net cash position of €374 million at December 31, 2023.

At December 31, 2024, Safran had €6,514 million of cash and cash equivalents and €2,000 million of undrawn, confirmed facilities.

(1) See section 3.1 – Consolidated statement of cash flows.

1.7 COMMENTS ON THE PARENT COMPANY FINANCIAL STATEMENTS

1.7.1 Income statement

Safran's income statement at December 31, 2024 is presented in section 3.3.

Revenue came in at €902 million in 2024 versus €865 million in 2023, and chiefly includes billings of general assistance services provided by the parent company to its subsidiaries, as well as specific amounts billed to certain subsidiaries (rent, employees, IT services) and miscellaneous services related to projects (research projects, for example) managed by the parent company on behalf of all of its subsidiaries.

Other operating income and expenses represented a net expense of €1,014 million in 2024 and a net expense of €957 million in 2023.

Safran reported a loss from operations of €112 million in 2024 and €92 million in 2023.

It reported financial income of €3,098 million in 2024 and €758 million in 2023.

Financial income includes dividends received from subsidiaries totaling €2,320 million in 2024, compared to €1,387 million in 2023.

It also includes:

- impairment of financial assets (net gain of €821 million in 2024 compared with a net loss of €575 million in 2023);
- interest and similar expenses (net expense of €24 million compared with €39 million in 2023);
- a negative foreign exchange difference of €21 million compared to a negative €14 million in 2023.

Safran reported a non-recurring expense of €212 million in 2024 and €62 million in 2023.

Income tax represented a benefit of €96 million under the Group's tax consolidation regime in 2024 (€55 million in 2023). A net reversal of the provision for the transfer of the tax saving relating to the French tax group from Safran to its loss-making subsidiaries was recognized in Safran's financial statements in an amount of €21 million in 2024 (net addition amounting to €1 million in 2023).

On account of the above, profit for the period came in at €2,891 million, compared to €658 million in 2023.

1.7.2 Balance sheet

Safran's balance sheet at December 31, 2024 is presented in section 3.3.

Changes in equity in 2024 mainly reflect profit for the period totaling €2,891 million, dividends paid in 2024 for a total of €910 million and the impact of the cancellation of treasury shares for €750 million.

Changes in borrowings reflect the redemption of a bond issue, OCEANE bonds and USD senior unsecured notes. (see section 3.3, Note 3.9 and section 6.2.3.2).

1.7.3 Proposed appropriation of 2024 profit

The Board of Directors recommends appropriating profit for 2024 as follows:

Profit for 2024	€2,891,256,257.10
Retained earnings ⁽¹⁾	€4,072,704,470.00
Profit available for distribution	€6,963,960,727.10
Appropriation:	
Dividend	€1,228,534,502.30
Retained earnings	€5,735,426,224.80

(1) Including €29,335,660.20 corresponding to the 2023 dividend due on shares held in treasury at the dividend payment date.

The dividends paid for the past three years were as follows:

Year	Number of shares carrying dividend rights ⁽¹⁾	Net dividend per share	Total payout
2023	413,926,150	€2.20	€910,637,530.00
2022	417,620,970	€1.35	€563,788,309.50
2021	426,925,638	€0.50	€213,462,819.00

(1) Total number of shares carrying dividend rights less the number of Safran shares held in treasury at the dividend payment date.



2

CORPORATE GOVERNANCE

AFR

	Framework Corporate Governance Code	75			
2.1	SAFRAN'S CORPORATE GOVERNANCE STRUCTURE	75	2.3.3	Operating procedures and work of the Board of Directors	123
2.1.1	Board of Directors – Chair of the Board of Directors – Executive Management	75	2.3.4	Succession plans for the Chairman and the Chief Executive Officer	127
2.1.2	Powers and responsibilities of the Chairman of the Board of Directors	77	2.3.5	Executive sessions	128
2.1.3	Powers and responsibilities of the Chief Executive Officer	77	2.3.6	Committees of the Board of Directors	128
2.1.4	Powers and responsibilities of the Board of Directors	78	2.3.7	Annual assessment of the Board of Directors' operating procedures	135
2.2	MEMBERSHIP STRUCTURE OF THE BOARD OF DIRECTORS	80	2.4	APPLICATION OF THE AFEP-MEDEF CORPORATE GOVERNANCE CODE	139
2.2.1	Summary table of information about Directors (at the filing date of this Universal Registration Document)	80	2.5	DIRECTORS' INTERESTS IN THE COMPANY'S SHARE CAPITAL	140
2.2.2	Directors' profiles (at the filing date of this Universal Registration Document)	84	2.5.1	Compulsory shareholdings	140
2.2.3	Other information about the Board of Directors' membership structure	106	2.5.2	Code of Ethics	140
2.2.4	Independence and diversity of the Board of Directors	109	2.5.3	Transactions in the Company's shares carried out by corporate officers and senior managers	141
2.2.5	Additional disclosures about Directors	116	2.6	COMPENSATION POLICIES AND COMPENSATION PACKAGES FOR CORPORATE OFFICERS	142
2.2.6	Changes in the membership structure of the Board of Directors	118	2.6.1	General principles	142
2.3	OPERATING PROCEDURES AND WORK OF THE BOARD OF DIRECTORS AND THE BOARD COMMITTEES	122	2.6.2	Compensation policies for corporate officers – 2025	143
2.3.1	Internal Rules of the Board of Directors and its Committees	122	2.6.3	Compensation and benefits of the Chairman and the Chief Executive Officer for 2024 (Report on the compensation of corporate officers)	159
2.3.2	Summary table of attendance at meetings of the Board of Directors and the Board Committees in 2024	122	2.6.4	Compensation of the members of the Board of Directors	174
			2.6.5	Long-term incentive plan	176

This chapter constitutes the main body of the Board of Directors' report on corporate governance⁽¹⁾. It provides information on the membership structure of the Board of Directors, the application of the AFEP-MEDEF Corporate Governance Code, which the Company uses as its corporate governance framework, the conditions for preparing and organizing the work of the Board of Directors and the Board Committees, the powers of the Chairman of the Board of Directors and the Chief Executive Officer, and the compensation policy applicable to the corporate officers, as well as the components of their compensation and benefits.

The information contained in this chapter was approved by the Board of Directors following a preparation and review process that notably involved the Appointments and Compensation Committee, the Chairman of the Board of Directors, and various corporate departments within the Company.

Other information relevant to the corporate governance report is provided in chapters 6 (participation in General Meetings, items with a potential impact in the event of a public offer, regulated agreements and relations with related parties, shareholders) and 7 (delegations and authorizations in force granted to the Board of Directors) of this Universal Registration Document.

⁽¹⁾ Report drawn up in accordance with Articles L.225-37, paragraph 6 and L.22-10-10, of the French Commercial Code.

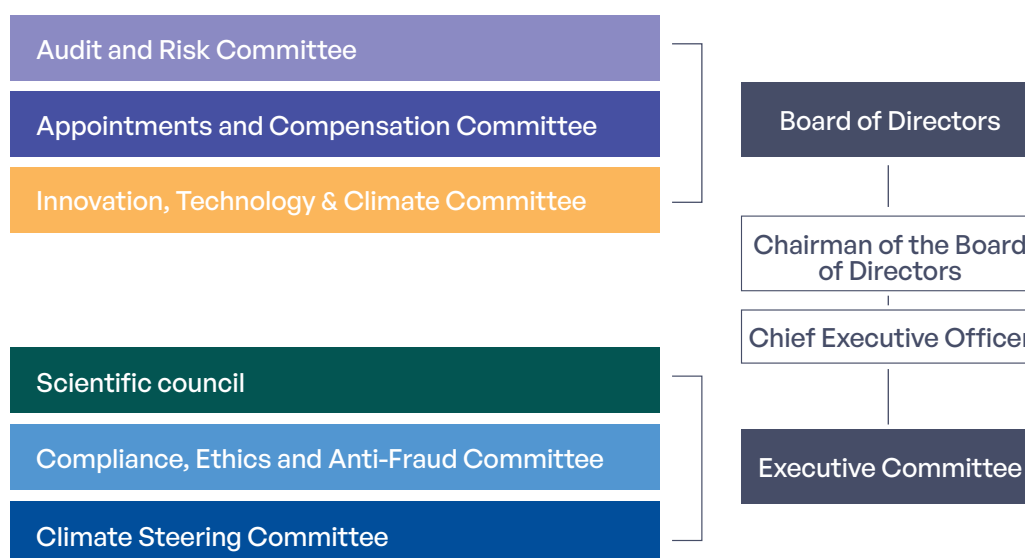
Corporate Governance Code framework

In accordance with Article L.22-10-10 4° of the French Commercial Code, Safran uses as its corporate governance framework the “Corporate Governance Code of Listed Corporations” (revised version published in December 2022) (the “AFEP-MEDEF Code”), drawn up jointly by the French employers’ associations, AFEP⁽¹⁾ and MEDEF⁽²⁾, as well as the related application guidelines (revised version of March 2024).

These documents are available on the AFEP and MEDEF websites at www.afep.com and www.medef.com.

Where certain recommendations included in this Code or in its application guidelines are not implemented, the reasons are explained in section 2.4, “Application of the AFEP-MEDEF Corporate Governance Code” of this Universal Registration Document.

2.1 SAFRAN'S CORPORATE GOVERNANCE STRUCTURE



2.1.1 Board of Directors – Chair of the Board of Directors – Executive Management

Separation of the roles of Chair of the Board of Directors and Chief Executive Officer

At the Annual General Meeting of April 21, 2011, Safran's shareholders approved the adoption of a corporate governance structure with a Board of Directors.

The Board of Directors comprises at least three and no more than 14 members (who may be either individuals or legal entities), including, where applicable, a representative appointed by the French State and/or Directors put forward by the French State in accordance with Articles 4 and/or 6 of French government (order) 2014-948 of August 20, 2014. This number may be increased to allow for the inclusion of any Directors representing employee shareholders and any Directors representing employees.

The Board elects a Chair from among its members.

The Company's Executive Management is placed under the responsibility of either (i) the Chair of the Board of Directors or (ii) another individual appointed by the Board, who holds the title of Chief Executive Officer and who may or may not be a Director.

At its meeting on April 23, 2015, the Board of Directors opted to separate the roles of Chair of the Board of Directors and Chief Executive Officer. Following the appointment of Olivier Andriès as the Chief Executive Officer, the Company maintained the same governance structure.

This governance structure is suited to the Group's current needs and is intended to:

- ensure a clear distinction is made between (i) strategic, decision-making and oversight duties, which fall within the remit of the Board of Directors and whose members act in a collegiate manner, and (ii) operational and executive duties, which fall within the remit of Executive Management; and
- enable the Chief Executive Officer to fully exercise his duties alongside the Chairman of the Board, who must be able to devote the time and attention required for leading the Board of Directors in a continuous manner.

(1) Association française des entreprises privées.

(2) Mouvement des entreprises de France.

This separation of roles is the most effective structure for achieving the sustainable and balanced governance that Safran requires in order to pursue its business development under the best possible conditions and deliver on its objective of creating sustainable value.

- On April 23, 2015, **Ross McInnes** was appointed Chairman of the Board of Directors for an initial period of four years, before being reappointed in 2019.

At its meeting on May 25, 2023, as the Board wished to continue to benefit from Ross McInnes' commitment, expertise and professionalism, it again re-appointed him as its Chairman for the duration of his term as a Director (which was also renewed by the Annual General Meeting of May 25, 2023, for a further four-year term), i.e., until the Annual General Meeting to be held in 2027.

The Board took this decision in view of its satisfaction with (i) the governance structure based on segregated roles of Chairman of the Board and Chief Executive Officer, and (ii) Ross McInnes' performance of his duties as the Board's Chairman.

- **Olivier Andriès** was appointed as the Group's Chief Executive Officer by way of a decision of the Board of Directors on December 16, 2020, with effect from January 1, 2021, and for a term corresponding to his term as a Director.

The Board also appointed Olivier Andriès as a Director, for a term commencing on January 1, 2021, and expiring at the close of the 2023 Annual General Meeting. This decision reflected the Board's continuing belief that it is useful, necessary and of real value for the Chief Executive Officer to also be a Director of the Company, as it enables the Chief Executive Officer to be among his peers around the Board table, and also allows the Board to benefit from his contribution to its discussions.

At its meeting on May 25, 2023, the Board renewed Olivier Andriès' term of office as Chief Executive Officer, for a period corresponding to his term as a Director (which was renewed for four years at the Annual General Meeting of May 25, 2023), i.e., expiring at the close of the 2027 Annual General Meeting.

The complementary profiles, expertise and careers of the Chairman of the Board of Directors and the Chief Executive Officer are a major factor for ensuring the Group's efficient governance, based on transparency between Executive Management and the Board, and a balanced, measured split between the roles of the Chairman and the Chief Executive Officer which ensures their duties are effectively segregated, as sought by the Board.

See section 2.2.2 for the profiles of the Chairman of the Board of Directors and the Chief Executive Officer.

Balanced distribution of powers

The Board deems that the Company has a balanced governance structure, in particular due to:

- the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer;
- the restrictions placed on the Chief Executive Officer's powers, as described below (in section 2.1.4.2);
- the independent status of the majority of the Directors (eight out of the 12 Directors were independent at the filing date of this Universal Registration Document⁽¹⁾);

- the powers of the Board and the existence of specialized committees, which are made up of a majority of independent Directors;

- the fact that the Board includes Directors representing employees and Directors representing employee shareholders.

This governance structure, which is subject to the Internal Rules of the Board and its Committees (see section 2.3.1), ensures compliance with governance best practices.

Quality of relations between the Board and Executive Management

Executive Management communicates with the Board of Directors via its Chairman, or directly at Board meetings, and keeps the Board regularly informed about all aspects of the Company's operations and performance.

The Board deals with all matters falling within its remit, in particular matters relating to setting the Company's strategic objectives, overseeing and monitoring the achievement of those objectives, and ensuring that the Company is managed properly and effectively.

The Board regularly meets with members of Executive Management during presentations, strategy sessions and site visits. Board meetings may be called at any time when so

required. The Board may also hold meetings that are not attended by the executive corporate officer ("executive sessions").

The Board of Directors is a forum for reflection and strategic impetus, and provides valuable support to Executive Management. The Chairman leads the work of the Board, with the aim of ensuring that the Board and Executive Management work cohesively together, and that the Company is run efficiently in a climate of trust and confidence. It is in the interests not only of all the Company's shareholders but of all its stakeholders in general for the Chair to lead the Board's discussions and encourage debate among its members.

Deputy Chief Executive Officer(s)

At the proposal of the Chief Executive Officer, the Board of Directors may, at any time, appoint up to three Deputy Chief Executive Officers (who must be individuals and who may or may not be Directors) to assist the Chief Executive Officer in his duties.

In agreement with the Chief Executive Officer, the Board of Directors shall determine the scope and duration of the powers vested in the Deputy Chief Executive Officer(s). The Deputy Chief Executive Officer(s) shall have the same powers as the Chief Executive Officer with respect to third parties.

Annual General Meetings

The powers of the shareholders are regulated by law. Collective decisions of the shareholders are taken in general meetings, qualified as ordinary, extraordinary or special, depending on the nature of the decisions they are called on to take.

(1) Directors representing employees and Directors representing employee shareholders are not included in this calculation.

2.1.2 Powers and responsibilities of the Chairman of the Board of Directors

The Board of Directors has assigned the following specific responsibilities to Ross McInnes in his role as Chairman of the Board of Directors:

- representing the Group (with the support of and in conjunction with Executive Management) in France and abroad in dealings with government authorities, major customers, partners and institutional shareholders;
- organizing the Board's strategic work;
- working with the Board on the preparation and implementation of succession plans for the Group's key operations managers and support function managers.

These specific responsibilities – which mainly cover areas relating to institutional representation, governance and strategy – are carried out without prejudice to the powers of representation vested in the Chief Executive Officer by law (see section 2.1.3).

In addition, Ross McInnes represents the Board of Directors and is responsible for organizing and managing the work of the Board, on which he reports to shareholders at the Annual General Meeting. He coordinates the work of the Board and the Board Committees, as well as ensures that the Company's corporate governance structures function effectively and, particularly, that Directors are in a position to properly perform their duties. To that end, in accordance with the applicable legislation and Article 15.2 of the Company's bylaws, he is responsible for:

- calling Board meetings based on an annual schedule and on other occasions where necessary, drawing up the agenda and ensuring that the Directors are given the appropriate information;
- ensuring that the Board Committees discuss certain matters in preparation for Board meetings and that the Directors respect the Board of Directors' Internal Rules and those of the Board Committees;
- monitoring the implementation of the Board's decisions.

Work carried out by the Chairman of the Board of Directors in 2024

Throughout the year, the Chairman continued his active role of organizing the Board's work, which notably included:

- in conjunction with the Chief Executive Officer, deciding on and preparing the particular issues and strategy points to be discussed at the Board's annual strategy seminar;
- carrying out preparatory work, in conjunction with the Directors, on significant agenda items prior to Board meetings, in order to ensure that the meetings were fully effective and that the Board discussions were of the highest quality;
- informing the Directors of significant events that occurred between Board meetings;
- continuing to develop shareholder dialogue, in particular through governance roadshows organized for the Company's main shareholders and investors or proxy advisors in order to present (i) the membership structure of the Board and its operating procedures, (ii) proposed changes in governance, (iii) the compensation of corporate officers, and (iv) Safran's business strategy and climate pledges (presented alongside the Lead Independent Director and the Director responsible for monitoring climate issues).

In addition, working with the Lead Independent Director and the Appointments and Compensation Committee, the Chairman:

- organized the formal assessment of the operating procedures of the Board and its Committees and the Directors' individual contributions to the Board's work, which was carried out in late 2024 with the assistance of an external corporate governance consulting firm (see section 2.3.7);
- prepared the review of Directors' independence (see section 2.2.4.2);
- in liaison with the members of the Appointments and Compensation Committee, participated in meetings and discussions on changes to the Board's membership structure;
- reviewed the succession plans presented to the Appointments and Compensation Committee in relation to Executive Management and the Executive Committee.

In addition to the duties assigned to him by law, the Chairman represented the Group in France and on the international stage within the scope of specific assignments entrusted to him, notably dealing with public authorities and shareholders. He took part in various meetings to hear their points of view and explain the Group's situation and positions relating to both corporate governance issues and strategic development.

2.1.3 Powers and responsibilities of the Chief Executive Officer

The Chief Executive Officer has authority over all the Group's operations departments and support departments.

The Chief Executive Officer represents the Company in its dealings with third parties and has the broadest powers to act in all circumstances in the Company's name.

He exercises these powers within the scope of the Company's corporate purpose and subject to the powers expressly vested by the applicable laws and regulations in Shareholders' Meetings and the Board of Directors.

The Company is bound by the actions of the Chief Executive Officer with respect to third parties even when they fall outside the scope of the corporate purpose, unless it can be proven that the third party knew, or under the circumstances could not have failed to know, that such actions exceeded the remit of the corporate purpose. Publication of the Company's bylaws does not in itself constitute such proof.

Any restrictions placed on the powers of the Chief Executive Officer by the bylaws or a decision of the Board of Directors are not binding on third parties. The restrictions placed by the Board on the powers of the Chief Executive Officer for the purposes of the Company and Group's internal organization are set out in the Board of Directors' Internal Rules (see section 2.1.4.2), and mainly relate to investments and divestments as well as certain strategic transactions.

2.1.4 Powers and responsibilities of the Board of Directors⁽¹⁾

2.1.4.1 Roles and responsibilities of the Board of Directors

The Board of Directors sets the Company's overall business strategy and oversees its implementation, in accordance with the Company's best interests and taking into account the social and environmental aspects of its activities. Subject to the powers directly vested in Shareholders' Meetings, the Board is responsible for dealing with all matters concerning the efficient running of the Company and for making all related decisions, within the scope of the Company's corporate purpose.

In accordance with the applicable laws and regulations and the terms and conditions set out in the Board of Directors' Internal Rules, the roles and responsibilities of the Board of Directors include, but are not limited to:

- calling the Annual General Meeting and setting its agenda;
- approving the Group's annual budget presented by the Chief Executive Officer, as well as any amendments thereto;
- approving the Group's medium-term business plan;
- approving the financial statements of the Company and the Group and drawing up the annual corporate governance report;
- authorizing related-party agreements governed by Article L.225-38 of the French Commercial Code (*Code de commerce*);
- selecting the Company's management structure in accordance with Articles 21.1 and 21.4 of the bylaws;
- appointing or removing from office the Chairman of the Board of Directors, the Chief Executive Officer, and, on the recommendation of the Chief Executive Officer, the Deputy Chief Executive Officer(s) (if any);

- determining the powers of the Chief Executive Officer and, in agreement with the Chief Executive Officer, of the Deputy Chief Executive Officer(s) (if any);
- appointing Directors prior to ratification by shareholders;
- setting the compensation payable to the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer(s) (if any);
- appointing the members of the Board Committees set up in accordance with the applicable laws, the Company's bylaws and the Board of Directors' Internal Rules;
- dividing among the Directors the aggregate annual compensation allocated to them by the shareholders at the Annual General Meeting;
- deciding on issues of debt securities not carrying rights to shares;
- deciding whether to allocate compensation to any Board Advisors;
- giving the Chief Executive Officer authorization (which may be delegated) to grant guarantees, endorsements and sureties, in accordance with conditions set by the Board.

In addition, the Board of Directors performs any checks and controls that it deems appropriate (carried out by its Chairman).

At its meeting on March 20, 2025, the Board amended its Internal Rules to formally document its practice of monitoring forward-looking issues, particularly regarding digital and new technologies, for the purpose of anticipating the transformation of the Company and the Group over the medium and long term.

2.1.4.2 Internal rules relating to transactions requiring prior approval of the Board of Directors

In accordance with Article 19.3 of the Company's bylaws and Article 4 of the Board of Directors' Internal Rules:

- the following transactions have to be approved by the Board before they can be carried out by the Chief Executive Officer or a subsidiary:
 - decisions related to starting up significant business activities in France or abroad,
 - decisions to withdraw from such business activities in France or abroad,
 - material transactions likely to affect the Group's strategy or modify its financial structure or the scope of its activity;
- the Board's prior approval is systematically required for the following:
 - any capital expenditure or self-financed development expenditure related to any project, program or industrial or commercial development that represents an amount equal to or more than €100 million for the Company or any Group entity,

- any investment, divestment, expenditure, commitment or warranty related to the following transactions or decisions and which represents an amount equal to or more than €50 million for the Company or any Group entity:
 - any acquisition or disposal of real estate,
 - any acquisition or disposal of interests in any existing or future company, involvement in the creation of any company, group or organization, subscription to any issues of shares or bonds, excluding ordinary treasury management transactions,
 - any exchange, with or without balancing cash adjustments, relating to assets or securities, excluding ordinary treasury management transactions,
 - in the event of a dispute or litigation, the signature of any agreement or the acceptance of any settlement,
 - collateral pledged over the Company's assets.

The prior approval referred to above is not required for transactions and decisions that result in the signature of agreements exclusively involving Group entities (between these entities or with the Company);

(1) ESRS 2: GOV-1 paragraph 22) Information about the identity and roles of administrative bodies.

- the Board of Directors' prior approval is systematically required for each of the following transactions or decisions if they represent an amount equal to or more than €400 million for the Company or any Group entity:
 - granting or contracting any loan, credit or advance,
 - setting up or changing any program involving issues by the Company of negotiable debt securities (formerly the commercial paper program), apart from renewals or changes that do not result in an increase in the maximum size of the program or the maturity of the debt securities concerned (once such programs are approved, the Company's Finance Department is responsible for their implementation),
 - acquiring or disposing of any receivables due beyond one year. The prior approval referred to above is not required for transactions and decisions that result in the signature of agreements exclusively involving Group entities (between those entities or with the Company);
- the Board of Directors' prior approval is also systematically required for any offer or industrial or commercial project entered into by the Company or any Group entity that:
 - results in a guarantee commitment representing €300 million or more, or
 - is deemed material, with the notion of "material" decided by the Chief Executive Officer or any other person duly authorized to implement said offer or project;
- furthermore, the following transactions and decisions require prior authorization from the Board of Directors, with at least one Director representing the French State voting in favor if the French State owns more than 10% of Safran's capital:
 - any disposal by the Group of strategic military assets that concern prime contractor, design, manufacture, integration and operational maintenance capacities with regard to the propulsion and guidance of French cruise and tactical ballistic missiles,
 - any sale by Safran of shares in Safran Ceramics, Safran Power Units, Safran Electronics & Defense and ArianeGroup Holding,
 - any decision to grant to a third party specific management rights or rights to information related to the Group's strategic military assets that concern prime contractor, design, manufacture, integration and operational maintenance capacities with regard to the propulsion and guidance of French cruise and tactical ballistic missiles,
 - any decision to grant to a third party rights to be represented on the administrative or management bodies of Safran Ceramics, Safran Power Units, Safran Electronics & Defense and ArianeGroup Holding.

2.2 MEMBERSHIP STRUCTURE OF THE BOARD OF DIRECTORS⁽¹⁾

BOARD OF DIRECTORS KEY FIGURES



* Excluding Directors representing employee shareholders and Directors representing employees.

2.2.1 Summary table of information about Directors (at the filing date of this Universal Registration Document)

Director	Age ⁽¹⁾	Gender	Nationality	Number of shares held at Dec. 31, 2024	Number of directorships in listed companies ⁽¹⁾⁽²⁾	Independent Director ⁽³⁾	Date first appointed
Directors currently in office							
Ross McInnes Chairman of the Board of Directors	71	M	French and Australian	16,111 ⁽⁵⁾	3	No	April 23, 2015
Olivier Andriès Chief Executive Officer	62	M	French	35,392 ⁽⁵⁾	2	No	January 1, 2021 (effective date)
Anne Aubert	54	W	French	190 ⁽⁵⁾	1	No	May 28, 2020
Hélène Auriol Potier	62	W	French	500	4	Yes	June 15, 2017
Patricia Bellinger	64	W	American and British	515	1		May 28, 2020
Fabrice Brégier	63	M	French	500	3	Yes	May 25, 2023
Monique Cohen	69	W	French	500	3	Yes	May 28, 2013
Christèle Debarenne-Fievet	56	W	French	3,321 ⁽⁵⁾	1	No	December 19, 2022
Pascale Dosda	62	W	French	6,837 ⁽⁵⁾	1	No	May 23, 2024

(1) At the filing date of this Universal Registration Document or the departure date of Directors whose terms of office on Safran's Board expired at end-2024.

(2) Including directorship with Safran.

(3) See section 2.2.4.1 "Independence of the members of the Board of Directors."

(4) At December 31, 2024.

(5) Including shares held via corporate mutual fund units.

(1) ESRS 2: GOV-1 paragraph 21e) Percentage of independent board members.

End of term (expiration or other)	Number of years on the Board ⁽¹⁾	Date last reappointed	Director representing employees or employee shareholders	Attendance rate (Board meetings) ⁽⁴⁾	Membership of Board Committees ⁽¹⁾	Main experience and expertise brought to the Company
2027 (AGM held to approve the 2026 financial statements)	9 years and 11 months	May 25, 2023	No	100%	-	Chairman of the Board of Directors
2027 (AGM held to approve the 2026 financial statements)	4 years and 3 months	May 25, 2023	No	100%	-	Chief Executive Officer
2028 (AGM held to approve the 2027 financial statements)	4 years and 10 months	May 23, 2024	Yes	100%	-	Perspective of an employee/Knowledge of the Group and its markets
2025 (AGM held to approve the 2024 financial statements)	7 years and 10 months	May 26, 2021	No	100%	Appointments and Compensation Committee Innovation, Technology & Climate Committee	Organization and management of corporations/ International/Digital and new technologies
2028 (AGM held to approve the 2027 financial statements)	4 years and 10 months	May 23, 2024	No	100%	Appointments and Compensation Committee	HR-Diversity-Talent management/ International/Industry/ Energy/Strategy/ Competitive environment
2027 (AGM held to approve the 2026 financial statements)	1 year and 10 months	-	No	100%	Innovation, Technology & Climate Committee	Aerospace/Defense/ Digital and new technologies
2026 (AGM held to approve the 2025 financial statements)	11 years and 10 months	May 25, 2022	No	100%	Chair of the Appointments and Compensation Committee	Financial and banking markets/Private equity/ Shareholding strategy
November 19, 2027	2 years and 3 months	November 20, 2023	Yes	100%	Appointments and Compensation Committee	Perspective of an employee/Knowledge of the Group and its markets
2028 (AGM held to approve the 2027 financial statements)	10 months	-	Yes	100%	-	Perspective of an employee/Knowledge of the Group and its markets

Director	Age ⁽¹⁾	Gender	Nationality	Number of shares held at Dec. 31, 2024	Number of directorships in listed companies ⁽¹⁾⁽²⁾	Independent Director ⁽³⁾	Date first appointed
Céline Fornaro ⁽⁶⁾	48	W	French	N/A	4	No	February 17, 2023
Laurent Guillot	55	M	French	500	2	Yes	May 23, 2019
Ivan Hardouin	49	M	French	598 ⁽⁵⁾	1	No	November 20, 2023
Alexandre Lahousse	49	M	French	N/A	1	No	July 27, 2022
Fabienne Lecorvaisier	62	W	French	500	3	Yes	May 26, 2021
Patrick Péлата	69	M	French	500	1	Yes	June 15, 2017
Robert Peugeot	74	M	French	500	4	Yes	May 25, 2018

Directors whose directorship ended (on expiration of their term of office or through resignation) during 2024 and since January 1, 2025

Marc Aubry	62	M	French	504 ⁽⁵⁾	1	No	May 28, 2020

(1) At the filing date of this Universal Registration Document or the departure date of Directors whose terms of office on Safran's Board expired at end-2024.

(2) Including directorship with Safran.

(3) See section 2.2.4.1 "Independence of the members of the Board of Directors."

(4) At December 31, 2024.

(5) Including shares held via corporate mutual fund units.

(6) Céline Fornaro was appointed representative of the French State by way of a ministerial decree dated February 17, 2023. Her term of office was renewed for a further four-year period by way of a ministerial decree dated May 25, 2023.

(7) From May 25, 2018 to December 19, 2022 as the permanent representative of F&P.

End of term (expiration or other)	Number of years on the Board ⁽¹⁾	Date last reappointed	Director representing employees or employee shareholders	Attendance rate (Board meetings) ⁽⁴⁾	Membership of Board Committees ⁽¹⁾	Main experience and expertise brought to the Company
2027 (AGM held to approve the 2026 financial statements)	2 years and 1 month	May 25, 2023	No	100%	Appointments and Compensation Committee Audit and Risk Committee	Finance/Financial and banking markets/RTDI/ Industry/Private equity/ International
2027 (AGM held to approve the 2026 financial statements)	5 years and 10 months	May 25, 2023	No	100%	Chairman of the Audit and Risk Committee Innovation, Technology & Climate Committee	Organization and management of corporations/ International/Industry
November 19, 2027	1 year and 4 months	-	Yes	100%	Audit and Risk Committee Innovation, Technology & Climate Committee	Perspective of an employee/financial controller
2027 (AGM held to approve the 2026 financial statements)	2 years and 8 months	May 25, 2023	No	78%	Innovation, Technology & Climate Committee	Industry/Strategy/ Defense/Competitive environment
2025 (AGM held to approve the 2024 financial statements)	3 years and 10 months	-	No	89%	Audit and Risk Committee	Energy/Finance/ Organization and management of corporations/ Strategy/Digital and new technologies/ Sustainability/ International
2025 (AGM held to approve the 2024 financial statements)	7 years and 10 months	May 26, 2021	No	100%	Innovation, Technology & Climate Committee Appointments and Compensation Committee Audit and Risk Committee	Organization and management of corporations/International/ Strategy/Industry/Digital – new technologies
2026 (AGM held to approve the 2025 financial statements)	6 years and 10 months ⁽⁷⁾	May 25, 2023	No	78%	Audit and Risk Committee	Organization and management of corporations/International/ Finance/Asset management
2024 (AGM held to approve the 2023 financial statements)	4 years	-	Yes	100%	Audit and Risk Committee	Perspective of an employee/Knowledge of the Group and its markets

2.2.2 Directors' profiles (at the filing date of this Universal Registration Document)⁽¹⁾



Ross McInnes

Chairman of the Board of Directors

Born in 1954, Ross McInnes has dual French and Australian nationality and is a graduate of Oxford University. He started his career in 1977 with Kleinwort Benson, first in London and then in Rio de Janeiro. In 1980, he joined Continental Bank (now Bank of America) in which he held several positions in the corporate finance arm, in Chicago and then in Paris.

In 1989, he joined Eridania Béghin-Say, where he was appointed Chief Financial Officer in 1991 and then became a member of the Board of Directors in 1999. The following year, he joined Thomson-CSF (now Thales) as Executive Vice-President and Chief Financial Officer and assisted in the group's transformation, until 2005. He then moved to PPR (now Kering) as Senior Vice-President for Finance and Strategy, before joining the Supervisory Board of Générale de Santé in 2006. He served as acting Chairman of the Management Board of Générale de Santé from March to June 2007. He also held the position of Vice-Chairman of Macquarie Capital Europe, where he primarily specialized in infrastructure investments.

In March 2009, Ross McInnes joined Safran and became Executive Vice-President, Economic and Financial Affairs in June of that year. He was a member of the Executive Board of Safran between July 2009 and April 2011 and then served as Deputy Chief Executive Officer until April 2015.

He became Chairman of Safran's Board of Directors on April 23, 2015.

In February 2017, he joined SICOM, the general partner of Vivescia Industries, as a "qualified person."

From February 2015 to November 2024, Ross McInnes also acted as Special Representative for economic relations with Australia, having been appointed to this diplomatic role by the French Minister for Europe and Foreign Affairs.

From November 2016 to November 2019, he was a member of the French High Committee for Corporate Governance.

In October 2017, Ross McInnes was appointed by the French Prime Minister as Co-Chairman of the "Action Publique 2022" Committee, which was tasked with making recommendations on reforming French public policies, a mission it has since completed.

MAIN POSITION HELD

- Chairman of the Board of Directors of Safran

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Chairman of the Board of Directors of Safran (listed company) (France)

NON-GROUP

- Director, Chairman of the Audit Committee, member of the Strategy, Investment and Technology Committee, and member of the Ethics, Environment and Sustainable Development Committee of Engie (listed company) (France)
- *Lead Independent Director, Chairman of the Nominations Committee, member of the Audit Committee and member of the Strategic Committee of Lectra (listed company) (France), until April 24, 2025*

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Director, Chairman of the Governance and Nominations Committee, and member of the Audit, Risk and Compliance Committee of Eutelsat (listed company) (France) until November 2022
- Director and member of the Board committees of Lectra (listed company) (France) until April 2020

NUMBER OF OFFICES HELD*

- In 2024: Three directorships (listed companies), including his position as Chairman of the Board of Directors of Safran SA
- As from April 24, 2025: Two directorships (listed companies), including his position as Chairman of the Board of Directors of Safran SA in 2024

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.

(1) Including 10 registered shares, 7,601 shares held via corporate mutual fund units invested in Safran shares (conversion based on one share for one corporate mutual fund unit at December 31, 2024), and 8,500 shares purchased under a life insurance policy (whereby the insurer retains ownership of the shares and the insured party is owed the related amount by the insurer).

(1) ESRS 2: GOV-1 paragraph 21a) Number of executive and non-executive members; ESRS 2: GOV-1 paragraph 21b) Representation of employees and other workers; ESRS 2: GOV-1 paragraph 21c) Experience of the members of the Board of Directors.



Olivier Andriès

Chief Executive Officer and Director

Born in 1962, Olivier Andriès, a French national, is a graduate of École Polytechnique (1981) and École des Mines de Paris (1984).

After holding various positions in the French Ministry of Industry and the Treasury Department at the French Ministry of Finance, in 1993 he joined the cabinet of the Minister of the Economy and Finance as advisor on industrial affairs.

In 1995, he moved to the Lagardère group as Deputy Director of Strategy, where he managed various merger and acquisition projects.

In 1998, he was appointed personal advisor to Jean-Luc Lagardère.

In 2000, Olivier Andriès joined Airbus as Product Policy Director, before being appointed Vice President, Widebody Aircraft Programs in 2004 and then Executive Vice President, Strategy and Cooperation in 2005.

In July 2007, he became Executive Vice President, Strategy at Airbus.

In March 2008, he joined Safran as Executive Vice-President, Strategy and Development, and in September 2009 was subsequently appointed Executive Vice President, in charge of the Defense and Security branch.

In 2011, he was appointed Chairman and Chief Executive Officer of Safran Helicopter Engines, and in June 2015 was appointed Chief Executive Officer of Safran Aircraft Engines.

In September 2020, he was appointed Executive Vice-President of the Safran Group, working alongside the Chief Executive Officer.

Safran's Board of Directors appointed Olivier Andriès as the Group's Chief Executive Officer, with effect from January 1, 2021, and also as a Director from the same date.

On July 8, 2021, Olivier Andriès was appointed First Deputy Chairman of GIFAS.

On April 27, 2023, he was appointed as an independent director and a member of the Accounts and Audit Committee at Veolia Environnement, and on April 25, 2024, he became Chairman of Veolia Environnement's Compensation Committee and a member of the Purpose Committee.

On September 5, 2024, Olivier Andriès was appointed as Chairman of the Board of Directors of École nationale supérieure des Mines de Paris.

Address:

Safran – 2, boulevard
du Général Martial-Valin
– 75015 Paris, France

Number of Safran shares held:

35,392⁽¹⁾

Date first appointed:

January 1, 2021

Expiration of current term of office:

2027 AGM

MAIN POSITION HELD

- Chief Executive Officer of Safran

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Chief Executive Officer of Safran (listed company) (France)
- Director of Safran (listed company) (France)

NON-GROUP

- Director, Chairman of the Compensation Committee, member of the Audit and Accounts Committee, and member of the Purpose Committee of Veolia Environnement (listed company) (France)
- Chairman of the Board of Directors of École nationale supérieure des Mines de Paris
- First Deputy Chairman of GIFAS

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

- Director of Safran Aero Boosters (Belgium), until November 2020
- Chief Executive Officer of Safran Aircraft Engines (France), until September 2020
- Chairman of Rafale International (France), until September 2020
- Director of EPI Europrop International GmbH (Germany), until September 2020
- Permanent representative of Safran Aircraft Engines (France) on the Board of Directors of PowerJet (France), until September 2020
- Director of Safran Aircraft Engines Mexico (Mexico), until September 2020
- Director of CFM International Inc. (United States), until September 2020

NON-GROUP

None

NUMBER OF OFFICES HELD*

- Two directorships in listed companies and one office as Chief Executive Officer of Safran SA

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, executive corporate officers may not hold more than two other directorships in listed companies outside his or her group.

(1) Including 26,087 registered shares and 9,305 shares held via corporate mutual fund units invested in Safran shares (conversion based on one share for one corporate mutual fund unit at December 31, 2024).



Anne Aubert

Directors representing employee shareholders

Born in 1971, Anne Aubert, a French national, has a degree in mechanical engineering from Compiègne University of Technology.

Anne Aubert has held a variety of front-line positions at Safran Seats' Issoudun plant since January 2012 and is currently head of the Project Management Office. She began her career with the Group managing Business Class seat programs, spending just over six years working with American, Chinese, French and Dutch airlines on Airbus and Boeing programs. She was then put in charge of the Airbus customer account, before becoming head of the Project Management Office in October 2019.

Anne Aubert brings to the Board her view of Safran from an employee shareholder's perspective, as well as an in-depth knowledge of the Group and its markets.

Address:

Safran Seats –
Z.I. La Limoise – Rue Robert-
Maréchal-Senior
– 36100 Issoudun, France

Number of Safran shares held:

190⁽¹⁾

Date first appointed:

May 28, 2020

Expiration of current term of office:

2028 AGM

MAIN POSITION HELD

- Head of the Project Management Office at Safran Seats Issoudun

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director representing employee shareholders of Safran (listed company) (France)

NON-GROUP

None

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

None

NUMBER OF OFFICES HELD*

- One directorship (Safran SA)

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.

(1) Including 6 registered shares and 184 shares held via corporate mutual fund units (conversion based on one share for one corporate mutual fund unit at December 31, 2024).



Hélène Auriol Potier

Independent Director

Member of the Appointments and Compensation Committee

Member of the Innovation, Technology & Climate Committee

Address:

Safran – 2, boulevard
du Général Martial-Valin
– 75015 Paris, France

**Number of Safran shares
held:**

500

Date first appointed:

June 15, 2017

**Expiration of current
term of office:**

2025 AGM

Born in 1962, Hélène Auriol Potier, a French national, graduated as an engineer from the École Nationale Supérieure des Télécommunications de Paris and completed an Executive MBA Program at INSEAD.

Hélène Auriol Potier built her career in the digital technologies and telecommunications industry in the United States, Europe, Africa and Asia.

She started her career in New York at France Télécom in 1986.

In 1990, she joined the Canadian mobile technology company Nortel, where she spent 16 years and successively held several management positions including Vice-President Mobile Division and Vice-President EMEA, Services & Operations.

In 2006, she joined Dell as Managing Director in charge of the Africa and Mediterranean region and as a member of the Executive Committee of Dell Emerging Markets.

In 2009, Hélène Auriol Potier joined Microsoft as General Manager of Enterprises, Public Sector and Partners and a member of the Executive Committee of Microsoft France. She was then appointed General Manager of Microsoft Singapore and a member of the Executive Committee of Microsoft Asia-Pacific. In 2013, she was appointed General Manager of Microsoft Dynamics, Western Europe and then General Manager of Microsoft Europe Public Sector before going on to serve as Managing Director of Artificial Intelligence Europe.

From November 2018 to September 2020, she served as Executive Vice-President International for Orange and was a member of the Executive Committee of Orange Business Services.

Hélène Auriol Potier brings to the Board her executive experience in international corporations, as well as her international outlook and technological, sustainability and CSR expertise and vision.

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Company Director
- Senior Advisor for Warburg Pincus LLC (United States)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) (France)

Hélène Auriol Potier, whose term of office is due to expire at the close of the Annual General Meeting on May 22, 2025, has informed the Board that she does not wish to stand for reappointment as a Director of Safran.

NON-GROUP

- Director, member of the Risk Management Committee and of the Environmental, Social and Governance Committee of Infosys (listed company) (India)
- Director, Chair of the ESG Committee, member of the Audit, Compliance and Risk Committee and member of the Appointments and Compensation Committee of Accor (listed company) (France)
- Member of the Supervisory Board, Chair of the Compensation Committee, and member of the Appointments Committee of Oddo BHF SCA (France)
- Member of the Supervisory Board, Chair of the Technology Committee and member of the Governance and Nomination Committee of Randstad (listed company) (Netherlands)
- Member of the Board of Directors of Scandit (Switzerland)
- Member of NACD (National Association of Corporate Directors) (United States)
- Managing Partner of Alinerom (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Member of the Board of Directors and Co-Chair of ESG Activities of the French Institute of Directors (France), until May 2024
- Director and member of the Compensation Committee of Mimecast (listed company) (United States), until May 2022

NUMBER OF OFFICES HELD*

- Four directorships (listed companies), including Safran SA

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.



Patricia Bellinger

Independent Director

Member of the Appointments and Compensation Committee

Born in 1961, Patricia Bellinger, has dual US and British nationality, and is trilingual (English, French and Spanish) and tricultural. She graduated from Harvard University.

Patricia Bellinger began her career in Spain, holding various positions in the arts and culture sector and then in media and communications.

In 1995, she returned to the United States to join Bristol Myers Squibb (BMS), a pharmaceutical company, where she was successively Associate Director for Communications, Associate Director for Public Affairs and in 1998, Corporate Director of Culture and Diversity.

In 2000, she joined BP in London as Vice-President for Diversity and Inclusion, and served as Group Vice-President and Director of the BP Leadership Academy until 2007.

In March 2011, she was appointed Executive Director of Executive Education at Harvard Business School. In August 2013, she was also appointed Executive Director and an adjunct lecturer at the Center for Public Leadership (CPL) at Harvard Kennedy School.

From September 2017 to June 2018, she was an adjunct lecturer and Senior Fellow at the Center for Public Leadership (CPL) at Harvard Kennedy School.

From July 2018 to June 2023, she was the Chief of Staff and Strategic Advisor to the President of Harvard University.

In October 2023, she was appointed Operating Partner at Sandbrook Capital.

Patricia Bellinger contributes to the Board the depth and breadth of her career and her diverse experience, as well as her time in industry, her HR/Diversity/Talent Management expertise (in terms of both strategic and people-centric issues), her multilingualism, and her knowledge of French corporate governance.

Address:

Sandbrook Capital –
677 Washington Blvd,
8th Floor, Stamford,
CT 06901, United States

**Number of Safran
shares held:**
515

Date first appointed:
May 28, 2020

**Expiration of current
term of office:**
2028 AGM

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Operating Partner at Sandbrook Capital (United States)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) (France)

NON-GROUP

- Operating Partner at Sandbrook Capital (United States)
- Member of the Corporate Board and Chair of the Nomination and Compensation Committee of Sonepar (France)
- Vice-Chair of the Advisory Board of the non-profit organization My Life My Choice (United States)
- Member of the Board of Trustees of the Academy of Motion Pictures (United States)
- Member of the National Board of the Smithsonian Institute (United States)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Director, Chair of the Nominating and Governance Committee and member of the Human Capital and Compensation Committee of Bath & Body Works, Inc. (listed company) (United States), until June 2024

NUMBER OF OFFICES HELD*

- One directorship (Safran SA)

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.



Fabrice Brégier

Independent Director

Member of the Innovation, Technology & Climate Committee

Born in 1961, Fabrice Brégier, a French national, is a graduate engineer of École Polytechnique (1980) and École des Mines de Paris.

He began his career at the DRIRE Alsace (French Ministry of Industry and Trade), before being appointed Sub-Director of Economic, International and Financial Affairs at the French Ministry of Agriculture (French General Directorate for Food) in 1989.

After serving as an advisor to several French ministers from 1989 to 1993, Fabrice Brégier was appointed Chairman of Franco-German joint ventures at Matra Défense, Director of Stand-Off Activities at Matra BAe Dynamics (MBD) and then Chief Executive Officer of MBD/MBDA in 1998.

Fabrice Brégier has 25 years' experience in the aerospace and defense industries. He has spent a large part of his career with the Airbus group. He was Chairman and Chief Executive Officer of Eurocopter from 2003 to 2006, before joining the Executive Committee of Airbus in 2005. He was then successively Deputy Chief Executive Officer of Airbus from 2006 to 2012, Chairman and Chief Executive Officer of Airbus Group from 2012 to 2017 and, lastly, Chairman of Airbus Commercial Aircraft and Chief Operating Officer of Airbus Group from 2017 to 2018.

Fabrice Brégier was Chairman of Palantir Technologies France, a leading big data analytics company, from 2018 to 2024.

In June 2023, he was appointed Chairman of the Board of Directors of Scor.

With extensive experience in the aeronautics, defense and space industries, Fabrice Brégier brings to the Board his skills and experience as an executive and director of large international groups as well as his expertise as an executive of a leading Big Data company.

Address:

Scor – 5, avenue Kléber
– 75016 Paris, France

Number of Safran shares held:

500

Date first appointed:

May 25, 2023

Expiration of current term of office:

2027 AGM

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Chairman of the Board of Directors of Scor (listed company) (France)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) (France)

NON-GROUP

- Chairman of the Board of Directors, Chairman of the Strategic Committee, Chairman of the Crisis Management Committee, member of the Audit Committee and member of the Risk Committee of Scor (listed company) (France)
- Director and member of the Appointments, Compensation and Governance of Engie (listed company) (France)
- Director of KK Wind Solutions (Denmark)
- Director of Reed Management (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Chairman of Palantir Technologies France (France), until June 2024

NUMBER OF OFFICES HELD*

- Three directorships in listed companies, including Safran SA and one position as Chairman of the Board of Directors of Scor

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.



Monique Cohen

Lead Independent Director

Member and Chair of the Appointments and Compensation Committee

Born in 1956, Monique Cohen, a French national, is a graduate of École Polytechnique (1976) and has a Master's degree in mathematics.

She started her career at Paribas, where she worked as Assistant Finance Manager from 1980 to 1987.

At Paribas, which later became BNP Paribas, Monique Cohen successively held the positions of Administrative Officer of Courcoux-Bouvet – a brokerage firm and subsidiary of Paribas – between 1987 and 1990, Head of Equity Syndication and Brokerage Activities from 1990 to 1999, and Global Head of Equity Business from 1999 to 2000.

Since 2000, Monique Cohen has been an Executive Partner at Seven2 (formerly Apax Partners) in Paris, which specializes in investments in the business and financial services sector.

Between June 2011 and September 2014, she was a member of the Board of Directors of the French financial markets authority (Autorité des marchés financiers – AMF).

Monique Cohen brings to the Board her experience as an executive and Director of international groups, as well as in-depth knowledge of the financial and banking markets, expertise in private equity and a financial view of shareholding structures.

Address:

Safran – 2, boulevard
du Général Martial-Valin
– 75015 Paris, France

Number of Safran shares held:

500

Date first appointed:

May 28, 2013

Expiration of current term of office:

2026 AGM

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Senior Advisor at Seven2 (formerly Apax Partners)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) (France)

NON-GROUP

- Vice-Chair and member of the Supervisory Board and Chair of the Audit Committee of Hermès International (listed company) (France)
- Director, Chair of the Internal Control, Risk Management and Compliance Committee and member of the Corporate Governance, Ethics, Nominations and CSR Committee of BNP Paribas (listed company) (France)
- Chair of the Board of Directors of Proxima Investissement (Luxembourg)
- Chair of the Board of Directors of Fides Holdings (France)
- Chair of the Supervisory Board of Fides Acquisitions (France)
- Managing Partner of Société Civile Fabadari (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Director of Seven2 (formerly Apax Partners) (France) until June 2020

NUMBER OF OFFICES HELD*

- Three directorships in listed companies, including Safran SA

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.



Christèle Debarenne-Fievet

Director representing employees

Member of the Appointments and Compensation Committee

(only attending the “compensation” part of the Committee meetings)

Born in 1968, Christèle Debarenne-Fievet is a French national and holds a DUT degree in management and administration of small and medium-sized organizations.

She has been an employee of the Group for 33 years.

She began her career in 1991 at Labinal (now called Safran Electrical & Power), working in the Finance Department. She then joined Safran Aircraft Engines in 2008, where she has held several roles in Finance, Customer Support, Network Production Management, and Demand Management in the global MRO Supply Chain.

Christèle Debarenne-Fievet brings to the Board her view of Safran from an employee’s perspective, as well as an in-depth knowledge of the Group and its markets.

Address:

Safran Aircraft Engines –
Direction de la Supply
Chain Maintenance
et Réparation –
Établissement de Saint-
Quentin – 1, rue des Frères-
Farman – 78771 Magny-
les-Hameaux – France

Number of Safran shares held:

3,321⁽¹⁾

Date first appointed:

December 19, 2022

Expiration of current term of office:

November 19, 2027

MAIN POSITION HELD

- Head of MRO Demand Management at Safran Aircraft Engines (France)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director representing employees of Safran (listed company) (France)

NON-GROUP

None

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

- Local trade union representative (until December 2022)
- Member of the Social and Economic Committee, until December 2022
- Member of the Health, Safety and Working Conditions Commission (until December 2022)
- Alternate member of the Supervisory Board of the Safran Investissement corporate mutual fund, until October 2022

NON-GROUP

None

NUMBER OF OFFICES HELD*

- One directorship (Safran SA)

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.

(1) Via corporate mutual fund units invested in Safran shares (conversion based on one share for one corporate mutual fund unit at December 31, 2024).



Pascale Dosda

Directors representing employee shareholders

Born in 1962, Pascale Dosda, a French national, holds a post-graduate diploma (DESS) in Financial Control and Internal Audit from IAE Bordeaux (1988) and a degree in Economics and Finance from Institut d'Etudes Politiques de Bordeaux (1987). Pascale Dosda has been International Mobility Manager in Safran Aircraft Engines' Human Resources department since September 2022. She has spent her whole career with Safran Aircraft Engines (formerly called Snecma). Prior to her current job, she was Industrial Platform and Supply Chain Manager for Piston Engines. She began her career as a member of the Snecma Group audit department before holding various posts in Safran Aircraft Engines' finance department, where she spent fifteen years.

Pascale Dosda was Industrial Director of SMA between June 2012 and December 2017, and helped oversee the closure of the Bourges site and the relocation of the workshop to Villaroche.

Address:

Safran Aircraft Engines
– Route Henri-Auguste
Desbruères – 91000
Corbeil-Essonnes,
France

Number of Safran shares held:

6,837⁽¹⁾

Date first appointed:

May 23, 2024

Expiration of current term of office:

2028 AGM

MAIN POSITION HELD

- International Mobility Manager at Safran Aircraft Engines

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP	NON-GROUP
■ Chair of the Safran Investissement corporate mutual fund (France) ■ Secretary of the Safran Aircraft Engines' Central Social and Economic Committee (France)	None

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP	NON-GROUP
None	None

NUMBER OF OFFICES HELD*

- One directorship (Safran SA)

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.

(1) Including 90 registered shares and 6,747 shares held via corporate mutual fund units (conversion based on one share for one corporate mutual fund unit at December 31, 2024).



Céline Fornaro

Director representing the French State

Member of the Audit and Risk Committee

Member of the Appointments and Compensation Committee

Address:

Agence des participations de l'État
– 139, rue de Bercy –
75572 – Paris, France

Number of Safran shares held:
N/A

Date first appointed:
February 17, 2023

Expiration of current term of office:
2027 AGM

Born in 1976, Céline Fornaro, a French national, is a graduate of the École Nationale de l'Aviation Civile (class of 1997), and holds a Master of Science from the College of Aeronautics at Cranfield University (United Kingdom).

She began her career in 2000 as Marketing and Product Manager in commercial aircraft sales at Embraer. In 2004, she began working for Bank of America Merrill Lynch in London, before being promoted to head up the research team in Aerospace, Defense and Satellites in 2009. In 2016, Céline Fornaro joined UBS as Managing Director of European Industrials Equity Research in aerospace, equipment and new energy sources.

On June 1, 2022, Céline Fornaro became head of Finance and Capital Markets at the French State Investments Agency (APE).

On February 17, 2023, she was appointed as representative of the French State on the Board of Directors of Safran.

She has been Deputy Chief Executive Officer of the French State Investments Agency (APE) since October 1, 2023.

Céline Fornaro brings to the Board thorough knowledge of investment banking and the finance, equipment, aerospace and transport sectors, with a global, medium- and long-term vision of these sectors.

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Deputy Chief Executive Officer of the French State Investments Agency (APE)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Representative of the French State on the Board of Directors of Safran (listed company) (France)

NON-GROUP

- Representative of the French State on the Board of Directors and member of the Audit Committee, member of the Appointments and Governance Committee, and member of the Remuneration Committee of Air France-KLM (listed company) (France)
- Representative of the French State on the Board of Directors and member of the Audit Committee, the Strategy, Investment and Technology Committee, and the Appointments, Compensation and Governance Committee of Engie (listed company) (France)
- Representative of the French State on the Board of Directors and member of the Audit Committee of Orange (listed company) (France)
- Member of Chatham House, The Royal Institute of International Affairs (United Kingdom)
- Member of The Royal Aeronautical Society (United Kingdom)
- Member of The Aviation Club (United Kingdom)
- Member of Women on Boards (United Kingdom)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Representative of the French State on the Board of Directors of RATP Group (France) until November 2023
- Representative of the French State on the Board of Directors of EDF (listed company) (France), until October 2022
- Managing Director of European Industrials Equity Research in aerospace, equipment and new energy sources at UBS Securities Co., Ltd (listed company) (United Kingdom), until May 2022

NUMBER OF OFFICES HELD*

- Four directorships (in listed companies) held as a representative of the French State, including in Safran SA

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.



Laurent Guillot

Independent Director

Member and Chair of the Audit and Risk Committee

Member of the Innovation, Technology & Climate Committee

Address:

Emeis (formerly Orpea)
– 12, rue Jean-Jaurès
– 92813 Puteaux Cedex,
France

**Number of Safran
shares held:**

500

Date first appointed:
May 23, 2019

**Expiration of current
term of office:**
2027 AGM

Born in 1969, Laurent Guillot, a French national, is a graduate of École Polytechnique and of École des Ponts engineering school, and holds a postgraduate degree in macroeconomics from Université Paris I.

He began his career with the French Ministry of Finance in 1996, initially as head of the Energy unit in the Forecasting Department and then as head of the Central Africa unit within the Treasury Department's International Division. In 1999, he was appointed technical advisor to the Minister of Infrastructure, Transport and Housing, first on maritime issues and then on budgetary, financial and industrial issues.

He joined Compagnie de Saint-Gobain in 2002 as Vice-President of Corporate Planning. He was appointed Vice-President of Construction Abrasives in 2004, becoming Vice-President of High-Performance Refractories and Diesel Particulate Filters the following year. In 2007, he was appointed General Delegate for Brazil, Argentina and Chile.

From 2009 to the end of 2015, Laurent Guillot served as Saint-Gobain's Chief Financial Officer and was also in charge of Group procurement and information systems.

In 2016, he was appointed Vice-President of the High-Performance Materials business. The following year, he became Senior Vice-President of Compagnie de Saint-Gobain in charge of the High-Performance Materials business, with direct oversight over the Performance Plastics business.

Between 2019 and 2021, he was Senior Vice-President of Compagnie de Saint-Gobain in charge of High-Performance Solutions and was also responsible for information systems.

In July 2022, Laurent Guillot was appointed Chief Executive Officer of Emeis (formerly Orpea).

Laurent Guillot brings to the Board his financial expertise, his skills and experience as a corporate officer of a listed company and a former operational and functional manager of a global industrial group, and his expertise in high-performance materials, industrialization and information systems.

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Chief Executive Officer of Emeis (formerly Orpea) (listed company) (France)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) (France)

NON-GROUP

- Director and Chief Executive Officer of Emeis (formerly Orpea) (listed company) (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Non-executive Director, Chairman of the Risk Management Committee, member of the Remuneration and Nomination Committee, and member of the Corporate Social Responsibility Committee of Grindwell Norton Ltd (listed company) (India), until June 2021
- Laurent Guillot has held several offices in unlisted subsidiaries and/or holdings of the Saint-Gobain group. For ease of reference, not all of these offices are listed.

NUMBER OF OFFICES HELD*

- Two directorships in listed companies (including one as Director of Safran SA) and one office as Chief Executive Officer of Emeis (formerly Orpea)

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.



Ivan Hardouin

Director representing employees

Member of the Innovation, Technology & Climate Committee

Member of the Audit and Risk Committee

Born in 1975, Ivan Hardouin, a French national, is a graduate of the Grenoble École Supérieure de Commerce.

He has been an employee of the Group for 19 years.

He began his career as a management controller with the Sidel group (a provider of solutions for packaging liquids).

In 2004, he joined Safran Landing Systems as an industrial management controller, and has been Supply Chain Manager, Wheels & Brakes at Safran Landing Systems since April 2023.

Ivan Hardouin brings to the Board his view of Safran from an employee's perspective, his management control and supply chain management skills, and his knowledge of the Landing Systems business – one of the Group's key activities – as well as a strong awareness of issues relating to health and safety and working conditions.

Address:

Safran Landing Systems
– Direction de la Supply
Chain Roues & Freins
Établissement
de Molsheim
– 3, rue Antoine-de-
Saint-Exupéry
– 67129 Molsheim, France

**Number of Safran
shares held:**

598⁽¹⁾

Date first appointed:

November 20, 2023

**Expiration of current
term of office:**

November 19, 2027

MAIN POSITION HELD

- Supply Chain Manager, Wheels & Brakes, at Safran Landing Systems (France)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP	NON-GROUP
■ Director representing employees of Safran (listed company) (France)	None

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP	NON-GROUP
None	None

NUMBER OF OFFICES HELD*

- One directorship (Safran SA)

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.

(1) Via corporate mutual fund units invested in Safran shares (conversion based on one share for one corporate mutual fund unit at December 31, 2024).



Alexandre Lahousse

Director

Member of the Innovation, Technology & Climate Committee

Born in 1976, Alexandre Lahousse, a French national and chief weapons engineer (ingénieur général de l'armement), is a graduate of École Polytechnique and École Nationale Supérieure de l'Aéronautique et de l'Espace.

He began his career at the Toulouse Aviation Testing Center as head of materials and aircraft structures testing, before becoming the lead expert in airframes.

In 2005, he continued his career in aircraft programs, as the French technical representative and architect for the NH90 helicopter program in collaboration with eight NATO countries.

In 2008, he joined the French Air Force at the Cuers-Pierrefeu industrial aviation workshop, first as head of the design office and then as deputy director and technical deputy director.

In 2014, he was promoted to director of the NH90 helicopter program, where he played a key role in the success of the first operational deployments.

In 2017, he joined the Defense System Architecture Department at the French Directorate General of Weapons Procurement (Direction générale pour l'armement – DGA), as architect for future systems readiness in “air mobility, surveillance and protection.” In parallel, he designed a new capability approach as part of the transformation of the DGA, in order to promote coherent program development across capabilities.

In early 2020, he was appointed Chief of Staff to the Chief Executive Officer of the DGA.

In early 2022, he became Head of the Industrial Affairs and Economic Intelligence Department (S2IE) at the DGA.

On March 6, 2024, he was appointed as Director of Defense Industry at the DGA, and on March 5, 2025, he became its Deputy Chief Executive Officer.

Alexandre Lahousse brings to the Board in-depth knowledge of the Group's sovereignty-related products and markets, as well as his defense industry expertise, his knowledge of the European aeronautic and aerospace industry, and his expertise in industrial strategy and State research and technology.

Address:

Direction générale
de l'armement –
60, boulevard
du Général-Martial-Valin
– 75015 Paris, France

Number of Safran shares held:

N/A

Date first appointed:

July 27, 2022

Expiration of current term of office:

2027 AGM

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Chief weapons engineer (ingénieur général de l'armement) – Deputy Chief Executive Officer of the DGA

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) put forward by the French State (France)

NON-GROUP

- Director of KNDS (KMW+Nexter Defense Systems N.V.) (Netherlands)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

- Representative of the French State on the Board of Directors of ArianeGroup Holding (France) until July 2024

NON-GROUP

None

NUMBER OF OFFICES HELD*

- One directorship (Safran SA)

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.



Fabienne Lecorvaisier

Independent Director

Member of the Audit and Risk Committee

Born in 1962, Fabienne Lecorvaisier, a French national, is a civil engineer and a graduate of the École Nationale des Ponts et Chaussées engineering school.

She began her career at Société Générale in 1985, first in the Corporate Finance Department, and then in the Mergers and Acquisitions Department. She joined Barclays Bank in 1989 as a Senior Banking Executive in charge of the LBO Department (Paris)/Corporate Finance Department (Paris and London). In 1990, she joined Banque du Louvre (Taittinger group) as Assistant General Manager.

She joined the Essilor group in September 1993 as Development Director, before being appointed Finance and Information Systems Director for Essilor America in January 1996, then Chief Financial Officer for the Essilor group in January 2001 and Chief Strategy and Acquisitions Officer for the Essilor group in January 2007.

In 2008, Fabienne Lecorvaisier joined Air Liquide, where she served as Group Chief Financial Officer until 2021. She then became Executive Vice-President, responsible for Sustainable Development, Public and International Affairs and CSR programs at Air Liquide – a position she held until May 2023 – and was also in charge of the General Secretariat. She was a member of Air Liquide's Executive Committee from 2008 until May 2023.

She has been a Director of Sanofi since May 2013 and chaired Sanofi's Audit Committee from May 2018 to May 2024. She has also been a Director of Wendel since June 2023.

In December 2019, Fabienne Lecorvaisier was named an Officier de la Légion d'honneur (Officer of the Legion of Honor).

Fabienne Lecorvaisier brings to the Board the experience that she has gained in various functions within international industrial groups in France and overseas, as well as her expertise as a Chief Financial Officer and her experience as a Director. She also has the skills, profile and ability to take on other tasks and responsibilities required of a Board member, notably in the areas of strategy, energy transition, risk and financial transaction management, large-scale projects, and sustainability and CSR.

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Company Director

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) (France)

NON-GROUP

- Member of the Supervisory Board and member of the Audit, Risks and Compliance Committee, and the Governance and Sustainability Committee of Wendel (listed company) (France)
- Director and member of the Audit Committee of Sanofi (listed company) (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Fabienne Lecorvaisier has held several offices in unlisted subsidiaries and/or holdings of the Air Liquide group. For ease of reference, not all of these offices are listed.
- Director of ANSA (the French National Association of Joint-Stock Companies) (France), until June 2021

NUMBER OF OFFICES HELD*

- Three directorships in listed companies, including Safran SA

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.

Address:

Safran – 2, boulevard
du Général Martial-Valin
– 75015 Paris, France

Number of Safran shares held:

500

Date first appointed:

May 26, 2021

Expiration of current term of office:

2025 AGM



Patrick Péлата

Director responsible for monitoring climate issues – Independent
Member and Chairman of the Innovation, Technology & Climate Committee
Member of the Audit and Risk Committee
Member of the Appointments and Compensation Committee

Address:

Safran – 2, boulevard
du Général Martial-Valin
– 75015 Paris, France

Number of Safran shares held:

500

Date first appointed:

June 15, 2017

Expiration of current term of office:

2025 AGM

Born in 1955, Patrick Péлата, a French national, is a graduate of the École Polytechnique (class of 1974) and of the École Nationale des Ponts et Chaussées engineering school, and holds a PhD in socioeconomics from the École des Hautes Études en Sciences Sociales.

He joined Renault in 1984 as a shop foreman at the Flins plant and from 1988, he contributed to the creation of the Renault Twingo and served in several engineering positions at Vehicle Engineering, where he became Senior Vice-President in 1998 and joined the Renault Management Committee. Following the signature of the Alliance between Renault and Nissan in 1999, he joined Nissan in Tokyo as Executive Vice-President in charge of Corporate and Product Planning, Design and Programs, sitting on the Executive Committee of Nissan and the Executive Board of the Alliance. In 2005, he returned to Renault as Executive Vice-President in charge of Corporate and Product Planning, Design and Programs, and joined the Executive Committee. Patrick Péлата served as Chief Operating Officer of the Renault group from October 2008 to April 2011, before his departure in August 2012.

From September 2012 to July 2015, he was Chief Automotive Officer and Executive Vice-President of Salesforce.com, with responsibility for strategy execution and promoting social media, mobility and cloud computing technologies to the automotive industry.

In July 2015, he created Meta Consulting LLC, of which he is the President. He returned to Paris in July 2017.

Patrick Péлата has been a member of the Académie des Technologies – a French think-tank that issues recommendations on the best use of technologies for society – since December 2018, and was elected as its Chairman in January 2024.

Patrick Péлата brings to the Board his experience of leading innovative, high-tech industrial groups on an international scale, as well as his expertise in strategy, consulting and industrialization, which is particularly valuable given today's focus on drastically reducing greenhouse gas emissions and increasing electrification and digitalization.

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Chairman of Patrick Péлата (a one-person company) (France)
- Company Director

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) (France)

NON-GROUP

- Chairman of Patrick Péлата (a one-person company) (France)
- Director of Orano (France)
- Director of Vulog (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

None

NON-GROUP

- Director of Mobivia (France) until January 2024

NUMBER OF OFFICES HELD*

- One directorship (Safran SA)

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.



Robert Peugeot

Independent Director

Member of the Audit and Risk Committee

Born in 1950, Robert Peugeot, a French national, is a graduate of École Centrale Paris and INSEAD.

He has held a number of high-level positions in the PSA Group and was a member of the Group Executive Committee from 1998 to 2007, responsible for Innovation and Quality.

From 2002 to 2020, Robert Peugeot served as Chairman and Chief Executive Officer of Peugeot Invest, overseeing the company's business development. Since then, he has continued to chair the Board of Directors.

Until January 2021, he was the permanent representative of Peugeot Invest on the Supervisory Board of Peugeot SA, and was also Chairman of the Strategy Committee and a member of the Finance and Audit Committee of Peugeot SA.

Since January 2021, he has been Vice-Chairman and a Director of Stellantis N.V. (created from the merger of Peugeot SA and Fiat Chrysler Automobiles N.V.), and a member of its Compensation Committee.

He was a member of the French High Committee for Corporate Governance (Haut Comité de gouvernement d'entreprise) from 2018 to 2024.

Robert Peugeot brings to the Board his experience as an executive and director of international industrial groups, as well as his experience in private equity and finance.

Address:

Peugeot Invest
– 66, avenue Charles-de-
Gaulle – 92200 Neuilly-
sur-Seine, France

**Number of Safran
shares held:**
500

Date first appointed:
May 25, 2018⁽¹⁾

**Expiration of current
term of office:**
2026 AGM

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Vice-Chairman of the Board of Directors of Stellantis N.V. (listed company) (Netherlands)
- Chairman of the Board of Directors of Peugeot Invest (listed company) (France)
- Company Director

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP

- Director of Safran (listed company) (France)

NON-GROUP

- Director and Vice-Chairman of the Board of Directors and member of the Compensation Committee of Stellantis N.V. (listed company) (Netherlands)
- Chairman of the Board of Directors, Chairman of the Investments and Shareholdings Committee, and Chairman of the Sustainable Development Committee of Peugeot Invest (listed company) (France)
- Director of Peugeot 1810 (France)
- Permanent representative of Peugeot 1810 on the Board of Directors and the Audit Committee of Forvia (listed company) (France)
- Member of the Supervisory Board of Soparexo (France)
- Member of the Supervisory Board of Financière Guiraud SAS (France)
- Director of Peugeot Invest UK Ltd (United Kingdom)
- Legal manager of Société Civile Rodom (France)
- Chairman of the Governance Committee of Tikehau Capital Advisors (France)
- Non-voting member of the Supervisory Board of Rothschild & Co (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP

- Permanent representative of F&P as a Director of Safran (listed company) (France) until December 2022⁽¹⁾

NON-GROUP

- Director of Asia Emergency Assistance Holdings Pte Ltd (Singapore) until January 2024
- Member of the Supervisory Board and Investment Committee of Signa Prime (Austria) until November 2023
- Member of the Supervisory Board and Investment Committee of Signa Development (Austria) until November 2023
- Legal manager of Mille Sabords (France) until March 2023
- Legal manager of Artemisia (France) until March 2023
- Legal manager of Gatopardi (France) until March 2023
- Chairman of F&P⁽²⁾ (France) until June 2023

- Director and Chairman of the Nominations Committee of Sofina (listed company) (Belgium) until May 2023
- Permanent representative of Maillot II (France) as a member of the Board of Directors of Sicav Armene 2 (France) until April 2022
- Director of Tikehau Capital Advisors (France) until February 2022
- Legal manager of CHP Gestion (France) until November 2021
- Director and member of the Compensation Committee of Faurecia (listed company) (France) until May 2021
- Permanent representative of Peugeot Invest Assets as Chairman and a member of the Supervisory Board of Financière Guiraud SAS (France) until May 2020
- Permanent representative of Peugeot 1810 (France) as a member of the Board of Directors of Sicav Armene 2 (France) until 2020
- Member of the Supervisory Board of ACE Management SA (France), until May 2020
- Robert Peugeot has held several offices in subsidiaries and/or holdings of the Peugeot group. For ease of reference, not all of these offices are listed.

NUMBER OF OFFICES HELD*

- Four directorships in listed companies, including Safran SA and his office as Chairman of the Board of Directors of Peugeot Invest.

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.

(1) Initially as permanent representative of F&P (see below).

(2) F&P was a joint venture between Peugeot Invest Assets and Fonds Stratégique de Participations (FSP), specifically set up for the purpose of exercising the role of a Director of Safran. F&P stood down from Safran's Board of Directors with effect from December 19, 2022, the date on which the Board appointed Robert Peugeot as a Director, in an individual capacity, to replace the corporate Director F&P.

Skills and expertise of the members of the Board of Directors

Safran has drawn up a skills matrix which it uses as a basis to ensure that its Directors have wide-ranging experience in different business sectors and expertise within varied fields so that the Group is well equipped to meet all of its strategic and performance imperatives.

This matrix is monitored and reviewed by the Appointments and Compensation Committee, particularly in order to identify Director candidate profiles in the event of any changes in the Board's membership structure.

It serves as a guide for the Appointments and Compensation Committee and the Board in the process of selecting and reappointing Directors (see section 2.2.6.1).

The Appointments and Compensation Committee and the Board review the skills of each Director each year, as part of the assessment of the Board's performance (see section 2.3.7). The skills recognized when a Director is appointed may evolve during his or her term of office. Therefore, the Appointments and Compensation Committee may be called upon to recognize new skills acquired through high-level training or the performance of external duties or terms of office.

Summary of the diverse skills and expertise of the Board of Directors

Experience and specific positions sought and exercised by Directors in different sectors and activities	Number of Directors	Percentage of Directors
 AEROSPACE INDUSTRY Expertise or experience (in an operational role or as a corporate officer) in the manufacture of aircraft engines, avionics systems and aircraft and/or space equipment. This skill is essential in view of Safran's activities and business model, and given the Board's role of setting Safran's overall goals and tracking the action plans for achieving these. In particular, it drives the Board's discussions and debates on issues such as the Group's strategy, risks and opportunities.	11	68.75%
 OTHER INDUSTRIES AND BUSINESS SECTORS - Expertise or experience (in an operational role or as a corporate officer) in an industry that is vertical or related to that of the Group (Transport, Energy, Defense, Automotive, Materials or other advanced technologies). - Expertise or experience (in an operational role or as a corporate officer) in another business sector, such as Finance, Banking, Insurance, Consulting, IT, Telecommunications, Governmental departments, etc. Skills and expertise in other industries and business sectors add to and complement the Board's expertise in the aerospace industry and enrich its discussions. They also reflect the Board's value-generating diversity.	16	100%
 INNOVATION, R&T, DEVELOPMENT AND ENGINEERING Expertise or experience in innovation and/or Research and Technology (R&T), and/or the development and application of engineering methods to ensure the feasibility, sustainability and effectiveness of solutions. Directors benefitting from such expertise contribute a knowledgeable viewpoint on the importance of anticipating and meeting key technological challenges for the Group's long-term success.	13	81.25%

Experience and specific positions sought and exercised by Directors in different sectors and activities

Number of Directors

Percentage of Directors

**INTERNATIONAL CAREER AND EXPERIENCE**

- Past or current experience as a legal representative (Chief Executive Officer, Deputy Chief Executive Officer, Chairman, etc.), as a member of the executive committee or senior executive of a large entity, or as a senior advisor, working on an international scale or within a global group.
- Experience acquired (in an operational role or as a corporate officer) within international groups. International experience also covers expatriation and/or inter-cultural management.

11



68.75%

Directors with international experience enhance the Board's discussions and decision-making, particularly given the geographical reach of the Group's activities.

**STRATEGY, COMPETITION AND M&A**

- Experience or expertise in setting strategies in a competitive environment, as well as in managing strategic goals with a view to achieving long-term performance. This includes knowledge in M&A (to be able to reinforce the Group's position, access new technologies, markets or resources, etc.).
- Experience as a member of a strategy committee (or equivalent) in a listed company.

12



75%

These skills help the Board to set Safran's overall strategy and oversee its implementation in the competitive environment in which the Group operates. They also enable the Board to better assess the risks and opportunities related to external growth projects, ensuring that investment decisions are aligned with the Group's strategy.

**FINANCE AND MANAGEMENT CONTROL**

- Experience or in-depth expertise in corporate finance, audit, internal control, and financial reporting processes, risk and insurance management, accounting, treasury, tax, mergers and acquisitions, and/or financial markets.
- High-level financial training or professional experience in a finance role, e.g., as a CFO.
- Experience as a member of an audit and risk committee (or equivalent) in a listed company.

11



68.75%

These skills enable the Board to effectively carry out its financial duties, particularly in relation to approving the financial statements, preparing the medium-term business plan and budget, and overseeing the financial reporting and audit and control processes.

**DIGITAL - NEW TECHNOLOGIES**

- Expertise or experience in developing and implementing technological and/or digital strategies (e.g., digital transformation, artificial intelligence), experience in companies with a strong focus on digital and/or new technologies.
- High-level training or experience in information technology, cybersecurity or data processing/networks.

5



31.25%

Skills in new and digital technologies give the Board in-depth understanding of the issues involved in accelerating sustainable innovation and operational excellence through digital technologies and artificial intelligence, which are major drivers of Safran's strategy.

Experience and specific positions sought and exercised by Directors in different sectors and activities**Number of Directors****Percentage of Directors****EXPERIENCE AS A COMPANY DIRECTOR/OFFICER AND IN GOVERNANCE AND MANAGEMENT**

- Experience as a corporate officer or director of a listed or unlisted company.
- High-level training or experience in governance and/or executive compensation.
- Previous experience on a board of directors, governance committee (or equivalent) or another type of committee in a listed company.

16



100%

Directors with experience in corporate governance, whether through their membership of boards and committees or as executives of other companies, provide knowledge of how a board operates and help the Group's governance to run smoothly, based on transparent relations between the Board and executive management. This experience also enables the Board to effectively monitor the Group's risks as well as issues relating to strategy, operations, compliance and shareholder relations.

**HR-SUSTAINABILITY-CSR**

- Experience (in an operational role) or high-level training in human resources.
- Experience in a sustainability department, a sustainability committee or a CSR committee (or equivalent) of a listed company.
- Understanding of environmental, social, societal and governance issues, and knowledge of effective sustainability performance management and reporting.
- High-level training in CSR.

13



81.25%

These skills enable the Board to fully understand and more effectively anticipate the needs and expectations of the Group's various stakeholders, therefore helping to meet Safran's objective of sustainable growth and long-term value creation.

**CLIMATE**

- Experience or expertise in issues related to climate change mitigation and/or adaptation.
- Experience as a member of a climate committee (or equivalent) of a listed company.

8



50%

Directors who have these skills provide the Board with extensive understanding of climate issues and the opportunities associated with the transition to low-carbon aviation. Their expertise strengthens the Board's capabilities in monitoring the rollout of the Group's climate strategy.

**SALES & MARKETING EXPERIENCE**

- Experience (in an operational role) in sales, procurement, trade, distribution, marketing (customer relationship management, strategy).
- High-level training in sales and/or marketing.

6



37.5%

Directors with sales and/or marketing experience bring to the Board an informed view of issues such as winning market share and building brand image and reputation.

Diverse skills and expertise of each Director

	Ross McInnes	Olivier Andriès	Anne Aubert	Hélène Auriol Potier	Patricia Bellinger	Fabrice Brégier	Monique Cohen	Christèle Debarenne -Fievet
EXPERIENCE IN THE AEROSPACE INDUSTRY								
■ Aerospace	X	X	X			X		X
EXPERIENCE IN OTHER INDUSTRIES								
■ Automotive	X		X					
■ Defense	X	X				X		X
■ Energy	X				X	X		
■ Other					X (Pharmaceutical industry)			
EXPERIENCE IN OTHER BUSINESS SECTORS								
■ Finance, banking, insurance and asset management	X			X	X	X	X	X
■ Strategy and consulting						X	X	
■ IT and telecoms				X		X		
■ New technologies				X		X (Big data)		
■ Government services	X	X				X		
■ Other					X (Education)			
EXPERIENCE IN INNOVATION, R&T, DEVELOPMENT AND ENGINEERING								
■ Innovation and R&T		X		X		X		X
■ Performance and industrial developments – Operations, engineering		X	X			X		
INTERNATIONAL EXPERIENCE								
■ International experience (irrespective of nationality)	X		X	X	X	X		
EXPERIENCE IN STRATEGY AND M&A								
■ Strategy and competitive environment	X	X		X	X	X	X	
■ M&A	X	X			X	X	X	
EXPERIENCE IN FINANCE AND MANAGEMENT CONTROL								
■ Finance, performance, consulting and management control	X	X				X	X	X
DIGITAL – NEW TECHNOLOGIES								
■ IT and digital				X		X		
EXPERIENCE AS A COMPANY DIRECTOR/OFFICER AND IN GOVERNANCE AND MANAGEMENT								
■ Office(s) held in listed companies (Chair, CEO, COO, etc.)	X	X				X		
■ Director of listed companies	X	X	X	X	X	X	X	X
■ Executive of unlisted companies		X		X	X	X	X	
■ Director of unlisted companies	X	X		X	X	X	X	
■ Governance and compensation	X	X		X	X	X	X	
■ Organization and management of corporations	X	X		X	X	X	X	X
■ Compliance (supplier relations, anticorruption)	X	X		X	X	X	X	
HR-SUSTAINABILITY-CSR/CLIMATE								
■ Human Resources		X		X	X	X		X
■ Sustainability-CSR	X			X	X	X	X	X
■ Climate	X	X		X	X	X		
SALES & MARKETING EXPERIENCE								
■ Sales & marketing, procurement, commerce and distribution		X	X	X				

	Pascale Dosda	Céline Fornaro	Laurent Guillot	Ivan Hardouin	Alexandre Lahousse	Fabienne Lecorvaisier	Patrick Pélata	Robert Peugeot	TOTAL
EXPERIENCE IN THE AEROSPACE INDUSTRY									68.75%
■ Aerospace	X	X	X	X	X			X	
EXPERIENCE IN OTHER INDUSTRIES									
■ Automotive		X	X				X	X	
■ Defense	X	X		X	X				
■ Energy		X	X			X	X		
■ Other			X (Materials industry)	X (Packaging)		X			
EXPERIENCE IN OTHER BUSINESS SECTORS									100%
■ Finance, banking, insurance and asset management		X	X			X		X	
■ Strategy and consulting		X					X		
■ IT and telecoms			X						
■ New technologies							X		
■ Government services		X			X				
■ Other			X (Personal care services)			X (Healthcare)			
EXPERIENCE IN INNOVATION, R&T, DEVELOPMENT AND ENGINEERING									81.25%
■ Innovation and R&T		X	X		X		X	X	
■ Performance and industrial developments – Operations, engineering		X	X	X	X	X	X	X	
INTERNATIONAL EXPERIENCE									68.75%
■ International experience (irrespective of nationality)		X	X		X	X	X	X	
EXPERIENCE IN STRATEGY AND M&A									75%
■ Strategy and competitive environment		X	X		X	X	X	X	
■ M&A		X	X			X		X	
EXPERIENCE IN FINANCE AND MANAGEMENT CONTROL									68.75%
■ Finance, performance, consulting and management control	X	X	X	X		X		X	
DIGITAL – NEW TECHNOLOGIES									31.25%
■ IT and digital			X			X	X		
EXPERIENCE AS A COMPANY DIRECTOR/OFFICER AND IN GOVERNANCE AND MANAGEMENT									100%
■ Office(s) held in listed companies (Chair, CEO, COO, etc.)			X				X	X	
■ Director of listed companies	X	X	X	X	X	X	X	X	
■ Executive of unlisted companies			X			X	X	X	
■ Director of unlisted companies		X	X		X	X	X	X	
■ Governance and compensation	X	X	X				X	X	
■ Organization and management of corporations			X	X		X	X	X	
■ Compliance (supplier relations, anticorruption)	X		X				X	X	
HR-SUSTAINABILITY-CSR/CLIMATE									81.25% 50%
■ Human Resources	X		X	X					
■ Sustainability-CSR			X	X	X	X	X		
■ Climate			X		X		X		
SALES & MARKETING EXPERIENCE									37.5%
■ Sales & marketing, procurement, commerce and distribution		X	X	X					

2.2.3 Other information about the Board of Directors' membership structure

At the filing date of this Universal Registration Document, the Board of Directors comprised 16 Directors (unchanged from at December 31, 2024). Apart from the Director representing the

French State and the Directors representing employees, the Directors are appointed by the shareholders in an Ordinary General Meeting for a term of four years.

Lead Independent Director – Monique Cohen

Monique Cohen has served as the Company's Lead Independent Director since March 2018 and will continue to serve in this capacity for the duration of her current term as a Director. Although the position of Lead Independent Director is not indispensable because the Company has opted to separate the roles of Chairman of the Board and Chief Executive Officer, the Board felt that it would be good practice to have such a Director.

As Monique Cohen first joined the Board of Directors in 2013, she will cease to meet the independence criterion related to duration of term of office (maximum of 12 years) on May 28, 2025, i.e., one year before the end of her current term of office, which is due to expire at the close of the 2026 Annual General Meeting.

However, based on the recommendation of the Appointments and Compensation Committee, the Board decided (without Monique Cohen taking part in the related discussion or vote) that although Monique Cohen will no longer meet that independence criterion as from May 28, 2025, she should remain as Chair of the Appointments and Compensation Committee until the 2026 Annual General Meeting (see section 2.4).

At the same time, after re-iterating the importance to Safran of the role of Lead Independent Director, the Board decided that because Monique Cohen will no longer meet the independence criterion relating to the duration of the term of office of a Director, it would be preferable for the position of Lead Independent Director to be vacant as from May 2025, on a temporary basis, for the time required to organize the succession of the role of Chair of the Appointments and Compensation Committee. The Board's Internal Rules will be amended to specify the allocation of responsibilities in the event of a vacancy in the position of Lead Independent Director.

The Lead Independent Director has the following powers and responsibilities:

- the Chairman of the Board of Directors consults with her about the agenda and schedule of Board meetings;
- in her capacity as both Lead Independent Director and a member of the Appointments and Compensation Committee, she takes part in (i) preparing the succession plan for the Company's officers, including the Chairman of the Board of Directors, (ii) the process of selecting candidates for members of the Board and its Committees (iii) organizing assessments of the Board, and (iv) discussions regarding governance matters.

She leads the Board's discussions about the succession plan for the Chairman of the Board and any appraisals of his performance or reviews of his compensation;

- where necessary, or useful, either at her own initiative or at the request of the Chairman of the Board, she is informed of any opinions or specific questions expressed by the shareholders in relation to corporate governance matters and participates, in conjunction with the Chairman of the Board, in any resulting discussions;
- she brings to the Chairman's attention any potential conflicts of interest that he may identify and examines such situations with him;
- if the Chairman is temporarily unable to perform his duties or in the event of the Chairman's death, and if there is no Vice-

Chair, then the Lead Independent Director replaces the Chairman, as follows:

- in the event of temporary absence, the Lead Independent Director stands in for the Chairman until he is once again able to perform his duties, and
- in the event of the Chairman's death, the Lead Independent Director acts as Chairman until a new Chairman is elected.

In either of the above cases, the Lead Independent Director chairs meetings of the Board of Directors.

The Lead Independent Director does not receive any specific additional compensation for her duties in this capacity.

Work carried out by the Lead Independent Director during the year

In 2024, Monique Cohen – Lead Independent Director and also Chair of the Appointments and Compensation Committee – chaired the parts of the Board meetings related to reviewing the Chairman's specific situation. The Chairman did not take part in any discussions or votes concerning these matters.

In addition, working alongside the Chairman of the Board, the Lead Independent Director:

- interacted with the Chairman on governance matters about which a non-Executive Chairman needs to be able to have discussions with an independent and trusted person;
- helped organize the formal assessment of the operating procedures of the Board of Directors and its Committees and the Directors' individual contributions to the Board's work, which was carried out in late 2024 with the assistance of an external corporate governance consulting firm (see section 2.3.7);
- prepared the review of Directors' independence (see section 2.2.4.1);
- participated in discussions, in liaison with the members of the Appointments and Compensation Committee, about changes to the Board's membership structure, in preparation for the 2024 and 2025 Annual General Meetings;
- chaired the Board's agenda item discussions about the appraisal, performance and compensation of the Chairman, as well as the "executive sessions" during which the independent Directors regularly discussed the Board's operating procedures without the Chief Executive Officer, and sometimes the Chairman, attending (see section 2.3.5);
- alongside the Chairman, further developed shareholder dialogue, in particular through governance roadshows organized for the Company's main shareholders and investors in order to present the Board's membership structure and its operating procedures, as well as proposed governance changes and the compensation of the corporate officers.

In addition, Monique Cohen regularly held discussions with:

- the Chief Executive Officer about the expectations and interactions between the Company's governance bodies (the Board of Directors and its Committees) and Executive Management;
- the Directors on topics they said they wished to address in addition to and in parallel with her discussions with the Chairman.

Director responsible for monitoring climate issues – Patrick Pélatà

The Board of Directors, like the Company's stakeholders, is fully aware of the strategic importance of climate issues for the aerospace industry. Consequently, it places particular importance on regularly informing shareholders about Safran's climate strategy and related action plan.

To that end, on February 24, 2021 the Board decided to appoint Patrick Pélatà – an independent Director and Chairman of the Innovation, Technology & Climate Committee – as “Director responsible for monitoring climate issues.”

The Director responsible for monitoring climate issues:

- takes the lead in ensuring follow-up of the climate action plan by the Innovation, Technology & Climate Committee. Within this scope, he and this Committee are involved in monitoring and overseeing Executive Management's climate action plan and in preparing the related information intended for publication by the Company and for presentation to the Annual General Meeting;
- is informed of questions from the shareholders on matters falling within the scope of his role and, where necessary, makes himself available to discuss those matters with them, in conjunction with the Chairman of the Board of Directors;
- may be assigned other specific duties related to his role by the Chairman of the Board of Directors;
- may put forward to the Chairman of the Board of Directors additional items related to his role for inclusion in the agenda for Board of Directors' meetings;
- presents information prepared by Executive Management on the climate action plan to the Annual General Meeting, after having submitted said information to the Innovation, Technology & Climate Committee for its opinion and then to the Board of Directors for its approval;
- does not receive any specific additional compensation and performs his duties under the responsibility of the Board of Directors, which makes the final decisions on the climate issues concerned.

Based on the recommendations of the Appointments and Compensation Committee, the Board of Directors has decided that it wishes to continue to benefit from Patrick Pélatà's expertise and is therefore inviting the shareholders at the May 22, 2025 Annual General Meeting to renew his term of office as an independent Director for a four-year term expiring at the close of the Annual General Meeting to be held in 2029 (see section 2.2.6.3.3 and 7.2.1.4).

Work carried out by the Director responsible for monitoring climate issues during the year

In 2024, Patrick Pélatà's work in this capacity notably included:

- participating, alongside the Chairman of the Board and Executive Management, in reviewing Safran's climate strategy and action plan, as part of a continuous improvement approach aimed at:
 - ensuring a high degree of transparency regarding the Group's climate actions,
 - reducing the carbon emissions of Safran's operations,
 - being a leader in aviation decarbonization;
- presenting this strategy and its underlying objectives at Safran's Annual General Meeting on May 23, 2024, alongside the Chief Executive Officer;
- taking part in the governance roadshows at which the Chairman of the Board presented Safran's business strategy and climate pledges to the Company's main shareholders and investors;
- leading the work of the Innovation, Technology & Climate Committee on climate issues;
- helping draw up the standard schedules of Board and Committee meetings whose agendas included climate topics;
- as part of his work as a member of the Appointments and Compensation Committee, examining the compensation policy of the Chief Executive Officer, in particular the “Climate – Low-carbon” criterion underlying his variable compensation and which has also been introduced into his long-term compensation as from the 2022 Long-Term Incentive Plan (see section 2.6.5.2);
- as part of his work as a member of the Audit and Risk Committee, examining the Group's climate metrics (in application of the CSRD) as well as the double materiality assessment and Sustainability Statement.

Independent Directors

At the filing date of this Universal Registration Document, the Board has eight independent Directors (unchanged since February 28, 2023) (see section 2.2.4.1), who are all highly engaged and involved in the Board's work. The fact that these Directors have full freedom of judgment and expression contributes to the quality of the Board's discussions and debates, and their professional and personal experience provides an outside view that is beneficial for the Company.

The independent Directors are not executives or employees of the Group and do not have any significant financial, family or other relations with the Group that could affect their freedom of judgment or lead to any actual or potential conflicts of interest.

The aim of having independent Directors on the Board is to provide the Company's shareholders with assurance that the collegiate body of the Board, and its Committees which put forward recommendations to the Board, comprise members who have total independence to analyze, judge, take decisions and act in the Company's best interests.

Representative of the French State and Director put forward by the French State

The membership structure of Safran's Board of Directors is subject to the provisions of French law applicable to joint-stock corporations. However, as the French State owns 11.58% of the Company's capital, as provided for in Article 14.1 of the Company's bylaws, a certain number of seats on the Board must be assigned to representatives of the French State in accordance with Articles 4 and 6 of *ordonnance* 2014-948 dated August 20, 2014, which sets out the terms and conditions for State representation on the Boards of Directors of companies in which it holds an ownership interest.

Since the Annual General Meeting of May 23, 2019, the Company has had two Directors with a link to the French State, i.e.:

- one representative of the French State appointed by ministerial decree; and
- Director put forward by the French State and appointed by shareholders at the Annual General Meeting.

The reduction resulted from applying, as agreed with the French State, the provisions of the August 20, 2014 *ordonnance* in view of the change in the French State's ownership interest in Safran.

In connection with the implementation of the August 20, 2014 *ordonnance*:

- by way of a ministerial decree dated February 17, 2023, the French State appointed Céline Fornaro as its representative on Safran's Board of Directors to replace Stéphanie Besnier (who had resigned), and by way of a ministerial order dated

May 25, 2023, it renewed her term of office for a four-year period, in accordance with government decree no. 2014-949 dated August 20, 2014. The Board of Directors appointed Céline Fornaro as a member of the Audit and Risk Committee and as a member of the Appointments and Compensation Committee;

- at its meeting on July 27, 2022, the Board of Directors appointed Alexandre Lahousse as a Director, who was put forward by the French State, to replace Vincent Imbert (who had resigned). This appointment by the Board was ratified by the shareholders at the May 25, 2023 Annual General Meeting, who then re-appointed him as a Director for a four-year term. The Board of Directors also appointed Alexandre Lahousse as a member of the Innovation, Technology & Climate Committee.

The representative of the French State and Director put forward by the French State have the same voting rights at Board meetings as the other Directors and must act in the corporate interest of the Company at all times. Subject to the legal provisions applying to them, they have the same rights and responsibilities and are bound by the same duties – in particular with regard to confidentiality – as the other members of the Board.

In accordance with the Board of Directors' Internal Rules, certain transactions and decisions require the Board's prior authorization, with a favorable vote by a Director representing the French State or a Director put forward by the French State if the French State owns more than 10% of Safran's capital (see section 2.1.4.2).

Directors representing employee shareholders

In accordance with the applicable law and Article 14.8 of Safran's bylaws, if the shares held by employees of the Company – or of companies related to it within the meaning of Article L.225-180 of the French Commercial Code – represent more than 3% of the share capital, then one or more Directors representing employee shareholders must be appointed at an Ordinary General Meeting. At December 31, 2024, employee shareholdings, as defined in Article L.225-102 of the French Commercial Code, corresponded to 5.76% of the Company's share capital (see section 6.3.1).

At its meeting on March 21, 2024, the Board of Directors decided to (i) approve the two nominations for employee shareholder Directors that were made following elections carried out in accordance with the procedures set out in Safran's bylaws, and (ii) propose at the Annual General Meeting of May 23, 2024 that the shareholders appoint Pascale Dosda to replace Marc Aubry, and re-appoint Anne Aubert.

In view of the shareholders' favorable vote on the related resolutions at the May 23, 2024 Annual General Meeting, Safran's Board currently includes the following two Directors representing employee shareholders, appointed by the shareholders for a four-year term expiring at the close of the 2028 Annual General Meeting:

- **Pascale Dosda**⁽¹⁾ (appointed for the first time); and
- **Anne Aubert**⁽²⁾ (re-appointed for a second term).

Directors representing employee shareholders have the same voting rights at Board meetings as the other Directors and must act in the corporate interest of the Company at all times. Subject to the legal provisions applying to them, they have the same rights and responsibilities and are bound by the same duties – in particular with regard to confidentiality – as the other members of the Board.

In accordance with the Company's bylaws, the candidate(s) put forward for appointment as Director(s) representing employee shareholders is/are nominated as follows:

- by the Supervisory Boards of the corporate mutual funds invested primarily in Safran shares, from among all of their permanent members representing employees;
- by employees directly holding Safran shares (within the meaning of Article L.225-102 of the French Commercial Code).

Directors representing employees

In accordance with Article 14.9 of the Company's bylaws, the Board of Directors must include one or two Directors representing employees, depending on the total number of Board members, as follows: (i) one such Director if the Board has eight or fewer members, or (ii) two such Directors if the Board has more than eight members. The total number of Board members is assessed on the date that the Director(s) representing employees are appointed, and does not take

into account any existing Directors representing employees or Directors representing employee shareholders.

Safran's Board of Directors includes two Directors representing employees:

- **Christèle Debarenne-Fievet**; and
- **Ivan Hardouin**.

(1) Pascale Dosda is Chair of the Supervisory Board of the Safran Investissement corporate mutual fund (as main candidate, having as deputy Daniel Luck, member of the Supervisory Board of the Safran Ouverture corporate mutual fund), put forward by the Supervisory Boards of the corporate mutual funds invested primarily in Safran shares (Safran Investissement, Safran Ouverture and Safran International);

(2) Anne Aubert (as main candidate, together with her deputy, David Baudu), was elected from among employees who directly hold Safran shares.

On October 18, 2023, Christèle Debarenne-Fievet was re-elected and Ivan Hardouin elected as Directors representing employees for four-year terms starting on November 20, 2023, based on the lists of candidates put forward by the four trade unions represented within the Group (CFDT, CFE-CGC, CGT and CGT-FO). Eligible voters in this election corresponded to all of the employees of Safran and its direct and indirect subsidiaries whose registered offices are located in France. The Board of Directors noted the results of the elections and (i) re-appointed Christèle Debarenne-Fievet as a member of the Appointments and Compensation Committee (only attending the “compensation” part of the Committee meetings), effective November 20, 2023,

and (ii) appointed Ivan Hardouin as a member of the Innovation, Technology & Climate Committee, effective December 15, 2023, and member of the Audit and Risk Committee, effective May 23, 2024.

Directors representing employee shareholders have the same voting rights at Board meetings as the other Directors and must act in the corporate interest of the Company at all times. Subject to the legal provisions applying to them, they have the same rights and responsibilities and are bound by the same duties – in particular with regard to confidentiality – as the other members of the Board.

Other persons attending Board of Directors’ meetings

The following people attend Board of Directors’ meetings in a non-voting capacity: a Government Commissioner appointed by decision of the French Ministry of Defense in accordance with the regulations applicable to Safran’s activities, and a representative of the Central Social and Economic Committee in accordance with the French Labor Code (Code du travail).

Government Commissioner

Éric Méresse, Controller-General of the French Armed Forces, was appointed Government Commissioner to Safran and its subsidiaries by a decision of the Ministry of Defense on September 15, 2014, in accordance with the laws and regulations applicable to companies supplying military equipment under public contracts or more generally engaged in the manufacturing or trading of such equipment.

Representative of the Central Social and Economic Committee

Ould Bouamama was appointed on December 9, 2019 by the Central Social and Economic Committee as its representative on the Board of Directors, pursuant to the provisions of Article L.2312-72 of the French Labor Code.

The Statutory Auditors

The Statutory Auditors are invited to attend the Board meetings during which the annual and interim financial statements are reviewed. They may also be invited to any other Board meeting and also take part in all meetings of the Audit and Risk Committee.

Other persons

In accordance with the Board of Directors’ Internal Rules, depending on the matters discussed, the Chairman of the Board of Directors may invite any person to attend Board of Directors’ meetings whom he considers may be able to provide Board members with information on an agenda item.

2.2.4 Independence and diversity of the Board of Directors

Based on the criteria detailed below, eight Directors qualify as independent, representing an independence rate of 66.7% at the filing date of this Universal Registration Document (unchanged since February 28, 2023). This independence rate exceeds the requirements set out in Article 10.3 of the AFEP-MEDEF Code, which recommends that independent directors

should make up half of the Board’s members in widely held companies with no controlling shareholders. In accordance with the AFEP-MEDEF Code, Directors representing employee shareholders and Directors representing employees are not taken into account when calculating the percentage of independent Directors.

2.2.4.1 Independence of the members of the Board of Directors

2.2.4.1.1 Independence criteria

Independent Directors are those who do not have any relationship whatsoever with Safran, the Group or its Management that may compromise their freedom of judgment.

A Director is deemed independent when he or she meets all of the following criteria (Article 2.4 of the Board of Directors’ Internal Rules and Article 9.5 of the AFEP-MEDEF Code):

- **criterion 1: employee or executive corporate officer during the past 5 years**
 - an independent Director must not be, or must not have been, during the past five years:
 - an employee or executive corporate officer of Safran,
 - an employee, executive corporate officer or Director of a company that is consolidated by Safran,

- an employee, executive corporate officer or Director of Safran’s parent company or a company consolidated by Safran’s parent company;

- **criterion 2: cross directorships**

- an independent Director must not be an executive corporate officer of a company in which Safran holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive corporate officer of Safran (currently in office or having held office within the past five years) is a Director;

- **criterion 3: significant business relationships**

- an independent Director must not be a customer, supplier, commercial banker, investment banker, or advisor:
 - that is significant for Safran or the Group, or
 - for which Safran or the Group represents a significant portion of its business;

■ criterion 4: relations with a bank

- for any Director who has duties in one or more banks, in order to be qualified as independent, he or she must not participate in:
 - preparing or soliciting offers for services from one or more of said banks with Safran or any other Group company,
 - the work of any of said banks in the event of the performance of a mandate entrusted to the bank by Safran or any other Group company, or
 - the vote on any resolution concerning a project in which the bank concerned is or could be involved in an advisory capacity;

■ criterion 5: family ties

- an independent Director must not have any close family ties with a corporate officer of Safran or any other Group company;

■ criterion 6: Statutory Auditors

- an independent Director must not have been a Statutory Auditor of Safran in the past five years;

■ criterion 7: directorship exceeding 12 years

- an independent Director must not have been a member of Safran's Board of Directors (or previously its Supervisory Board) for over 12 years, it being specified that members lose their status as independent Directors once the 12-year threshold is reached;

■ criterion 8: major shareholder

- an independent Director must not be a major shareholder⁽¹⁾ of Safran;

■ criterion 9: no compensation linked to performance

- an independent Director must not receive variable compensation in cash or in the form of securities or any compensation linked to the performance of Safran or the Group.

At each appointment of a Director (or temporary appointment of a Director prior to ratification by the Annual General Meeting), the Board of Directors examines the issue of independence with regard to the criteria set out in the Internal Rules and in the AFEP-MEDEF Code and checks whether the applicant has significant business relations with the Group. An independence review is then carried out on an annual basis.

Independence criteria	1	2	3	4	5	6	7	8	9	Independent
Ross McInnes	✓	✓	✓	✓	✓	✓	✓	✓	✓	X*
Olivier Andriès	X	✓	✓	✓	✓	✓	✓	✓	X	X
Anne Aubert	X	✓	✓	✓	✓	✓	✓	✓	X	X
Hélène Auriol Potier	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Patricia Bellinger	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Fabrice Brégier	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Monique Cohen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Christèle Debarenne-Fievet	X	✓	✓	✓	✓	✓	✓	✓	X	X
Pascale Dosda	X	✓	✓	✓	✓	✓	✓	✓	X	X
Céline Fornaro	✓	✓	✓	✓	✓	✓	✓	X	✓	X
Laurent Guillot	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ivan Hardouin	X	✓	✓	✓	✓	✓	✓	✓	X	X
Alexandre Lahousse	✓	✓	✓	✓	✓	✓	✓	X	✓	X
Fabienne Lecorvaisier	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Patrick Pélatà	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Robert Peugeot	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

✓ Independence criterion met.

X Independence criterion non met.

* Concerning the Chairman of the Board of Directors, Ross McInnes, although he could be considered as meeting the independence criteria set in the AFEP-MEDEF Code because (i) it is more than five years since he has been an employee or executive corporate officer of Safran (criterion 1), and (ii) he does not have any relationship whatsoever with Safran, the Group or its Management that may compromise his freedom of judgment, the Board decided not to reclassify him as an independent Director. Due to the fact that there was no interruption between the end of Ross McInnes' executive functions at Safran and his appointment as Chairman of the Board, and the policies and views that the shareholders or their representatives could have with regard to that situation, he informed the Board that he did not wish to be reclassified as an independent Director.

2.2.4.1.2 Independence review

At its meeting on March 20, 2025, on the recommendation of the Appointments and Compensation Committee, the Board of Directors undertook a review of the independence status of its members based on the criteria set out in the Internal Rules and in the AFEP-MEDEF Code.

During this review, both the Board and the Appointments and Compensation Committee examined any business relations that may exist between the Safran Group, its Directors, and the groups of companies and institutions in which Safran's Directors

are corporate officers. The findings of the review were that none of the Directors considered as independent have any business relations with the Safran Group that could jeopardize their independence. Following the review, the Board of Directors was able to confirm that its independent Directors still qualify as independent.

The Board of Directors relies on the following key procedures, reviewed by the Appointments and Compensation Committee, to determine independence:

- a specific annual questionnaire and a permanent obligation to inform the Board of any conflict of interest:

(1) A shareholder holding more than 10% of the Company's capital or voting rights.

- every year, a questionnaire is sent to each Director in which they must disclose their status in relation to the independence criteria set in the Board's Internal Rules as well as in the AFEP-MEDEF Code, and, where applicable, disclose any conflicts of interest between their duties as a Director and any political, jurisdictional or governmental role they may have, their private interests and any other of their roles or responsibilities, as well as any service contracts they may have entered into with Safran or any compensation they may receive from the Group,
- strict provisions on permanent disclosure obligations and managing conflicts of interest are included in the Board of Directors' Internal Rules, as set out in section 2.2.5;
- procedures for identifying and testing the materiality of Safran's business relationships with groups of companies and institutions in which Safran Directors are corporate officers. A specific materiality test is performed for Safran's relations with banking partners. For the purpose of performing these tests, the Appointments and Compensation Committee and the Board of Directors are assisted by the Company's Purchasing and Finance Departments.

The materiality tests consist of:

- a qualitative analysis, intended to ensure that any existing business relationships are free of conflicts of interest and do not bring into question the independence of the Director, mainly through a review of the history, scale and organization of the relationship (the position of the Director concerned in the Safran Group and in the co-contracting company or the group to which it belongs).

For Directors who have duties in one or more banks, the test consists of verifying that the Director concerned has not been involved in (i) preparing or soliciting service

offerings of one of these banks with respect to Safran or any other Group company, (ii) the work of any of these banks in the event of the performance of a mandate entrusted to said bank by Safran or any other Group company or (iii) the vote on any resolution concerning a project in which the bank concerned is or could be involved in an advisory capacity;

- a quantitative analysis, intended to evaluate the significance of any existing business relationships to ensure that they do not result in any form of financial dependence and that they are neither exclusive nor predominant among the relationships taken as a whole. With regard to relations with bank partners, the main flows, commitments, transactions and existing terms of office are expressed in amounts and percentages and analyzed to determine their relative weighting.

The results of these reviews were as follows:

- each independent Director stated that they met the independence criteria and had no conflicts of interest;
- no information was identified showing that any conflicts of interest exist, as defined in the Board's Internal Rules;
- for the materiality test concerning the Safran Group's business relationships with groups of companies and institutions in which the Company's independent Directors are corporate officers or executives:
 - the business relationships with all entities and groups in which Safran's independent Directors hold a corporate office were analyzed,
 - the Board of Directors identified the existence of the following business relationships between the Safran Group and certain companies or groups of companies in which Safran's independent Directors hold a corporate office:

Director	Directorships or other corporate officer positions in companies or groups of companies
Hélène Auriol Potier	Director of Accor
	Director of Infosys
	Member of the Supervisory Board of Oddo BHF SCA
	Member of the Supervisory Board of Randstad
Patricia Bellinger	Chairman and Chief Executive Officer of Sonepar
Fabrice Brégier	Director of Engie
Monique Cohen	Director of BNP Paribas
	Senior Advisor to Seven2
Fabienne Lecorvaisier	Director of Sanofi
	Member of the Supervisory Board of Wendel

- the Board of Directors analyzed the business relationships between the Safran Group and the companies or groups of companies listed above, and noted that the payments made by Safran to each of the companies or groups in which Safran's independent Directors hold directorships or other corporate offices were not such as to jeopardize their independence. This decision was based on the fact that the business relationships between the Safran Group and each of the companies or groups listed above represents less than 1% of (i) the consolidated revenue of

the Safran Group, and (ii) the consolidated revenue of each of the companies or groups listed above. Therefore, the Board found that none of these business relationships generates economic dependence or holds a preponderant position in the Safran Group's overall business relationships,

- no decisions taken by Safran's independent Directors in relation to such payments were identified,
- the Board noted that none of Safran's independent Directors holds an executive position in any of the above-mentioned companies or groups,

- the Board therefore concluded that none of the Directors considered as independent as listed above has any significant business relationships with the Safran Group that could jeopardize their independence;
- based on the specific materiality test concerning the business relationships between the Safran Group and (i) the BNP Paribas group, of which Monique Cohen is a Director, and (ii) the Oddo BHF SCA group, of which Hélène Auriol Potier is a member of the Supervisory Board:
 - the Board noted that neither Monique Cohen nor Hélène Auriol Potier took part in (i) preparing or soliciting any offers for services from any of the respective companies referred to above with Safran or any other Group company, (ii) the work of any of these companies in the event of the performance of an assignment entrusted to said company by Safran or any other Group entity, or (iii) the vote on any resolutions concerning any projects in which any of the companies referred to above is or could be involved in an advisory capacity,
 - it appears that the business relations between Safran and BNP Paribas and Oddo BHF SCA do not generate any financial dependency, and Safran's relations with these banks are neither exclusive nor represent a predominant portion of its overall banking relations. In addition, their directorships at BNP Paribas and membership of Oddo BHF SCA's Supervisory Board are non-executive positions,
 - the Board furthermore once again concluded that Monique Cohen and Hélène Auriol Potier have total independence of judgment in their roles as Directors of Safran,
 - the Board therefore concluded that any business relations that may exist between Safran and BNP Paribas or Oddo BHF SCA do not in any way jeopardize the independent Director status of either Monique Cohen or Hélène Auriol Potier.

2.2.4.2 Diversity policy applied to the Board of Directors and its Committees

The Board of Directors regularly carries out reviews, based on the recommendations of the Appointments and Compensation Committee, to ensure that its membership structure and that of its Committees are sufficiently balanced.

Its diversity policy is notably structured around principles and objectives related to (i) the size of the Board and the representation of the Company's various stakeholders, (ii) the proportion of independent Directors, (iii) the depth and fit of the Directors' skills and expertise, (iv) international experience, and (v) gender balance.

These principles and objectives set the framework for future changes in the Board's membership structure and enable it to draw up candidate profiles to meet those objectives as the need arises. For the purpose of drawing up Director profiles, it uses the skills matrix set out in section 2.2.2, which it regularly reviews and monitors.

The resolutions relating to the Board's membership structure that will be proposed to shareholders at the Annual General Meeting of May 22, 2025 (see sections 2.2.6.3 and 7.2.4 of this Universal Registration Document) contribute to the implementation of the Board's diversity policy.

2.2.4.2.1 Diverse profiles

When implementing the above diversity policy, the Appointments and Compensation Committee submits recommendations to the Board, in some cases with the assistance of an external firm, concerning the selection of candidates for appointment or re-appointment as Directors. These recommendations are based on criteria such as:

Behavioral skills:

- independence;
- the ability to work as part of a collegiate body such as the Board of Directors, and to constructively challenge the Company's Executive Management;
- integrity, open-mindedness and a determination to take into account the interests of all shareholders, in line with the Group's values.

Experience and expertise – other criteria:

- gender balance;
- skills that match the Company's overall strategy and that round out or strengthen the skills of the Board's existing members;
- specific expertise (e.g., financial and accounting, R&T, sustainability, digital and new technologies, HR and climate), which strengthens the membership structure of the Board Committees (see section 2.2.2);
- relevant skills and a willingness to become involved in the Board's other missions and responsibilities;
- significant international experience during their careers (irrespective of nationality);
- executive experience acquired in major corporations (international, French or non-French), and an understanding of the Group's business sector;
- availability;
- age, as the Board of Directors endeavors to have a diverse age profile (the average age of its members is currently 60).

This list of generic criteria is reviewed on a regular basis. If necessary, it is adapted on a case-by-case basis to seek out particular profiles or factor in specific expectations.

2.2.4.2.2 Gender balance on the Board

At the filing date of this Universal Registration Document, the Board of Directors comprises eight women (including one Director representing employees and two Directors representing employee shareholders) and eight men (including one Director representing employees). The proportion of women Directors on the Board is therefore 41.7% (5 out of 12, excluding the Directors representing employees and the Directors representing employee shareholders, as provided for under current French law for the purposes of calculating the gender balance on corporate boards).

2.2.4.2.3 Summary table of the application of the Board of Directors' diversity policy

Independence criteria	Objectives	Findings obtained and recorded at the filing date of this Universal Registration Document
Size of the Board of Directors	Pursuant to Article 14 of the Company's bylaws, the Board of Directors must comprise between three and 18 members. The objective is to keep the size of the Board to a number of Directors that ensures a balance in terms of diversity (representation of men and women, skills, age, employee representation, shareholder base), while complying with corporate governance guidelines concerning the proportion of independent members. This objective could be reassessed if new constraints emerge that require the Board's size to be reviewed.	This objective has been met. The Board comprises 16 members.
Balanced representation in terms of independence	Pursuant to Article 10.3 of the AFEP-MEDEF Code, the proportion of independent Directors must be at least half in companies with dispersed ownership and no controlling shareholder. The Board's objective is to have a majority of independent Directors, which exceeds the requirements of the AFEP-MEDEF Code.	This objective has been met. 66.7% (8 out of 12) of the Directors are independent, therefore the Board's independence rate exceeds the requirements of the AFEP-MEDEF Code.
Gender balance	Article L. 22-10-3 of the French Commercial Code provides that the minimum gender representation on company boards is 40% for both men and women (with Directors representing employees and Directors representing employee shareholders excluded from the calculation).	This objective has been met. The Board comprises five women (41.7%) and seven men (58.3%), bearing in mind that this calculation does not take into account the Directors representing employees and the Directors representing employee shareholders. The Board's membership structure already complies with French government order no. 2024-934 adopted on October 15, 2024, which provides that as from January 1, 2026, boards must include directors representing employee shareholders in their gender ratio calculation (but directors representing employees will still be excluded). Applying this calculation method, counting seven women and seven men, the Board's gender parity ratio is 50%.
Balanced representation in terms of number of years on the Board	There must be a balanced proportion of long-serving Directors and Directors who have joined the Board more recently, in order to ensure a mix of experience and fresh ideas.	This objective has been met. 0 to 3 years: 6 Directors 3 to 7 years: 6 Directors 7 to 12 years: 4 Directors
Diversity of skills	Board members' skills must be sufficiently diverse, complementary and suited to the Company's business development and to achieving its long-term strategic goals. The Board's skills should cover (i) the aerospace industry and (ii) other industries, (iii) innovation and R&T, development, engineering, (iv) career planning and international experience, (v) strategy and M&A, (vi) finance and financial control, (vii) digital and new technologies, (viii) governance and management, (ix) human resources and (x) climate and sustainability (see skills table presented in section 2.2.2).	This objective has been met. The Directors' skills cover all of the categories defined in the diversity policy. In addition, 68.75% of the Board members (i.e., 11 out of 16) and 87.5% of the independent Directors (7 out of 8) have spent part of their careers working internationally (irrespective of their nationality).
Balanced representation in terms of age	Pursuant to Article 16.3 of the Company's bylaws, the number of Directors over the age of 70 may not exceed 25% of the Board's total members. The objective is to comply with the rule set in the Company's bylaws, which is deemed satisfactory.	This objective has been met. The average age of the Board's members is 60. The average age of women on the Board is 59. The average age of men on the Board is 61. The Directors' ages range between 48 and 74.

Independence criteria	Objectives	Findings obtained and recorded at the filing date of this Universal Registration Document
Available time to devote to Board matters	The Board must be attentive to the individual and actual attendance rate of each Board member. The Chairman should be informed in advance of any changes to the offices held by Directors outside the Group.	The average attendance rates of the Directors are very satisfactory: 97% for Board meetings, 93% for Audit and Risk Committee meetings, 94% for Appointments and Compensation Committee meetings, and 100% for Innovation, Technology & Climate Committee meetings. Individual attendance rates range from 78% to 100% for Board meetings, 80% to 100% for Audit and Risk Committee meetings, 67% to 100% for Appointments and Compensation Committee meetings, and 100% for Innovation, Technology & Climate Committee meetings.

2.2.4.2.4 Training

Directors’ training takes the following different forms:

Welcome pack

Each new Director is given a welcome pack containing the initial information they need for performing their directorship duties.

This pack includes, among other things:

- the schedule of Board meetings, the membership structure and operating procedures of the Company’s corporate bodies, and a directory of the Board’s members;
- the Code of Ethics, the calendar for black-out periods, AMF instructions relating to insiders (executives and persons referred to in Article 19 of the European Union’s Market Abuse Regulation), and the guide on “permanent insiders” and management of insider information;
- Safran’s bylaws;
- the Board of Directors’ Internal Rules,
- the AFEP-MEDEF Code;
- the Code of Ethics; and
- various other Group presentation documents, including the most recent Universal Registration Document.

The pack also includes the main documents presented to the Board of Directors before the arrival of the new Director, when these documents are of particular importance or relate to long-term issues (such as files for the Board of Directors’ strategy seminar, the Group’s medium-term business plan, financial presentations and outlooks, “Capital Markets Day” presentations, etc.).

Continuous training

- The Directors are also provided with press reviews, analysts’ memos and press releases issued by Group companies, and they are regularly sent reports on the Group’s financial communication activities.
- When they first join the Board, and throughout their directorships, Directors are given specific training sessions and in-house presentations about the Group, its businesses and its industry, as well as about accounting, financial and operational issues that are specific to Safran, such as liquidity

risk management, currency risks, financial communications, risk mapping, compliance, ethics, duty of care, insurance, audit and internal control, human resources management, strategy (including climate strategy), sustainability, and governance. These training sessions are organized whenever a new Director joins the Board and are also offered to all of the Board’s members who can participate if they wish to, as they provide an opportunity to update skills and knowledge, particularly when new regulatory requirements come into force.

- The Directors are also regularly given presentations during Board meetings about the Group’s operations (historical information, positioning, results, competitive environment, challenges and risks).
- The Directors representing employees and the Directors representing employee shareholders are offered additional training, notably in the field of finance and accounting. These training sessions can also cover broader issues such as the roles and responsibilities, operating procedures and rights and obligations of Boards of Directors, Board Committees and Directors in general, and the Group’s businesses and organizational structure. Each new Director representing employees is enrolled in the two-day “Being an employee representative director” training course run by the IFA. Lastly, training may be given on any other topics that may enhance the skills and effectiveness of the Directors concerned in performing their Board duties.
- Both in-house and external training is available to the Directors, depending on their different needs and requirements. In response to the recommendation made during the assessment of the Board’s operating procedures at end-2023, all of the Directors have been invited to attend a training program on CSR and sustainability in 2024. This training program took place over several sessions, as shown in the table below. At the end of each session, a replay of the training video and a presentation handout were made available to all Directors.

The training program is continuing in 2025, with topics such as the circular economy, responsible purchasing and artificial intelligence added to the overall training offering.

Furthermore, the training offering will be expanded in 2025, with the creation of a dedicated training platform for Board members.

Topic	Date	In-house or external training	Duration	Contents	Number of Directors who followed the training in 2024
CSR and sustainability (session followed by several in-depth sessions on specific CSR and sustainability topics)	May 2, 2024	External (Forvis Mazars)	3 hours	- an overview of CSR and sustainability - the regulatory framework for CSR and sustainability - the Board of Directors' role in terms of CSR and sustainability	14
Topical session on climate-related issues	October 14, 2024	External (Forvis Mazars)	1.5 hours	- main findings of the IPCC 2024 report - carbon accounting - SBTi carbon reduction target - interoperability between the ESRS and the ISSB's IFRS Sustainability Disclosure Standards - adaptation to climate change and summary of the main disclosure requirements of ESRS E1 - climate effects excluding CO₂	15
Topical session on human rights	November 14, 2024	External (Forvis Mazars)	1.5 hours	- Human rights - introduction to human rights, timeline and overview - salient human rights issues for the Group - presentation about the CS3D	15

- Visits to the Group's sites both in and outside France are regularly organized so that Board members can learn about or hone their knowledge of Safran's various sites and businesses. In 2024, the Directors had the opportunity to tour the metalworks site in Gennevilliers and had a two-day visit of sites in the United Kingdom: Safran Seats UK and Safran Landing Systems UK.

- Regular updates are given at each Board meeting about the Group's operations and strategy.
- Specific meetings of the Board or the Board Committees may also be called to discuss particular issues.

2.2.4.3 Diversity within the Group's management bodies

2.2.4.3.1 Management commitment and policies

Safran opposes all forms of discrimination and seeks to promote an inclusive corporate culture. Diversity and inclusion are markers of the Group's identity. They promote well-being, development and engagement by allowing everyone to feel respected, empowered and valued. They are also a source of innovation and success for the Group.

Safran's diversity and inclusion policy, ethical guidelines and anti-harassment measures, as well as its leadership model, clearly show the Group's belief in the value of gender diversity.

Endorsing these policies is an essential duty of each member of the Executive Committee, particularly since the approval of the Diversity & Inclusion roadmap in December 2022.

2.2.4.3.2 Gender diversity within the Executive Committee

To continue to improve the diversity of its governance bodies, the Group is committed to enhancing the representation of women on the Executive Committee. This commitment has been achieved, as the percentage of women on the Executive Committee has steadily increased from 6% at December 31, 2018 to 16.7% at December 31, 2022 and 26.3% at December 31, 2023 (unchanged at December 31, 2024).

This gradual increase was achieved through a combination of external appointments and internal promotions of women to operational roles and corporate departments within the Group Executive Committee, along with the commitment to enhance cultural diversity within the Executive Committee:

- one external appointment since January 2023 (French national); and
- one internal promotion (UK national).

The objectives related to the Executive Committee are set out in the table in section 5.1.3.1.3.

2.2.4.3.3 Actions aimed at increasing gender diversity going forward

Gender equality in the workplace is essential for the Group, broadening visions to ensure that Safran is able to respond to the challenges in store. Executive Management is committed to and is applying a dynamic policy to promote gender equality, fairness and gender balance in all positions. Safran raises awareness among its employees of gender stereotypes and bias.

With this in mind, the Group has set annual targets to increase the proportion of women among its executives. This population includes all managers who are generally three levels or less from the Chief Executive Officer and whose level of responsibility has been evaluated using a job evaluation methodology according to international standards. The Group's efforts are supported by the Board of Directors.

2.2.4.3.4 Gender diversity objectives

Between 2020 and 2024, the percentage of women among the Group's senior executives increased from 13% to 22%. The objective has therefore been achieved one year earlier.

At its meeting in December 2021, as proposed by Executive Management, the Board of Directors reviewed and approved the diversity objectives set for the Group's management bodies.

The Group aims to have 24% of women among its senior executives by 2025⁽¹⁾. To demonstrate the Group's efforts in achieving these objectives, the percentage of women senior executives has been included in the objectives for long-term compensation in the form of performance shares for eligible employees since 2022.

At its meeting on December 19, 2024, the Board of Directors was informed of the results achieved in 2024 and the resources the Group is putting in place to meet the objectives.

2.2.4.3.5 Monitoring executive commitment and progress made on gender diversity

The Appointments and Compensation Committee and the Board of Directors annually review the development and implementation by Executive Management of the Group's commitment to gender equality in the workplace. These reviews include an assessment of the recruitment policy initiatives rolled out by the Group, relations with schools and universities, and measures to identify and support high-potential employees. Key steps being taken to support gender diversity (see section 5.1.3.1.3) include:

- leadership programs that aim to accelerate the development of high-potential women, including coaching and mentoring;
- regular reporting of gender pay gaps and subsequent actions to address any identified gaps;
- development programs for managers including unconscious bias training;
- regular monitoring of employee attrition and engagement by gender, including at the level of each manager, providing tools and training to address any reported gaps;
- 461 Elles Bougent sponsors within the Group to raise awareness among young women of aerospace-related subjects and the partnership with CGénial to promote science and technology among middle and high school students.

2.2.5 Additional disclosures about Directors

Duration of the terms of office of the members of the Board of Directors

Directors are appointed for four-year terms.

At the Annual General Meeting on May 22, 2025, the shareholders will be asked to amend the provisions of the Company's bylaws relating to the terms of office of shareholder-appointed Directors in order to provide for the possibility of terms of one, two or three years, in particular to enable the terms of office of Board members to be staggered, in accordance with the recommendations of the AFEP-MEDEF Code.

Information on service contracts between the members of the Board of Directors or Executive Management and the Company or any of its subsidiaries

There are no service contracts between the members of the Board of Directors or Executive Management and Safran or any of its subsidiaries providing for the award of benefits.

Disclosure of family ties and the absence of convictions involving members of the Board of Directors or Executive Management

To the best of Safran's knowledge:

- there are no family ties between members of the Board of Directors or Executive Management;
- no member of the Board of Directors or Executive Management:
 - has been convicted of fraud,
 - has been a manager of a company that has filed for bankruptcy or been placed in receivership or liquidation,
 - has been subject to an official public incrimination and/or sanctions by any statutory or regulatory authorities, or
 - has been disqualified by a court of law from acting as a member of an administrative, management or supervisory body, or from participating in the conduct of a company's business.

(1) The meaning of "senior executives" is defined in section 5.1.5.1.1 of this Universal Registration Document.

Managing conflicts of interest of members of the Board of Directors and Executive Management

Safran has not been notified of any:

- potential conflicts of interest between the duties, with respect to Safran, of any of the members of the Board of Directors or Executive Management and their private interests and/or other duties;
- arrangements or agreements with major shareholders, customers, suppliers or other parties pursuant to which any members of the Board of Directors or Executive Management were selected.

The management of conflicts of interest within the Board of Directors is organized as follows (Articles 7.2 to 7.5 of the Board of Directors' Internal Rules):

- every member of the Board of Directors must inform the Board of Directors of any actual or potential conflicts of interest between themselves (or any other individual or corporation with which they have a business relationship) and Safran, or any of the companies in which Safran holds an interest, or any of the companies with which Safran is planning to enter into an agreement of any sort;

- in the event that a member of the Board of Directors suspects the existence of a conflict of interest, or a potential conflict of interest, he or she must immediately inform the Chairman of the Board of Directors (or if the Chairman is unavailable, the Vice-Chair, or failing that, the Lead Independent Director), whose responsibility it is to decide whether or not a conflict of interest exists and if so, to inform the Board of Directors and thus instigate the conflict of interest management process;
- in the event that the member of the Board of Directors concerned is the Chairman of the Board of Directors himself, then he must inform the Vice-Chair of the Board of Directors or, failing that, the Lead Independent Director;
- in addition, the Chairman of the Board of Directors, the members of the Board of Directors, the Chief Executive Officer and, where appropriate, the Deputy Chief Executive Officer(s) will not be obliged to transmit, to any member(s) of the Board of Directors whom they have serious reason to suspect may be subject to conflicts of interest, any information or documents relating to the agreement or transaction causing the conflict of interest in question, and they will inform the Board of Directors of the non-transmission.

Internal charter on regulated and ordinary related-party agreements

On February 26, 2020, based on the recommendation of the Audit and Risk Committee and pursuant to Article L.22-10-12 of the French Commercial Code as amended by the Pacte Act no. 2019-486 of May 22, 2019, the Board of Directors adopted an internal charter on related-party agreements that are either "regulated" (i.e., subject to approval) or "ordinary" (i.e., entered into in the ordinary course of business on arm's length terms and therefore not subject to approval).

The charter is based on a study drawn up by the *Chambre nationale des Commissaires aux comptes* (the French National Chamber of Statutory Auditors) in February 2014 on regulated and ordinary related-party agreements and was reviewed by the Statutory Auditors prior to being approved by the Board.

The purpose of this charter is to reiterate the regulatory framework applicable in France to regulated and ordinary related-party agreements and to set out the procedure applied by the Company to (i) qualify a related-party agreement as regulated or ordinary, and (ii) regularly assess whether agreements qualified as ordinary fulfill the conditions required for such qualification.

It describes the processes for identifying any related-party agreements that could qualify as regulated, as well as the qualification criteria to be used and the procedures for the

Board's regular reviews of these agreements. At the same time as the Board adopted this charter, an internal procedure was sent to the various departments within the Company and to its subsidiaries, which sets out the underlying principles of the charter and how it will be implemented. This procedure, which has been relayed throughout the Group, formally documents the step-by-step verification process, ensuring that both regulated and ordinary related-party agreements are identified and effectively monitored, from the point they are first classified as either regulated or ordinary up to when they are signed, including the Board of Directors' prior approval of regulated related-party agreements and the shareholders' approval of those agreements.

When conducting its annual review of related-party agreements, if so recommended by the Audit and Risk Committee, the Board may decide to reclassify under regulated agreements an agreement that was previously qualified as ordinary. Conversely, as a result of this annual review, a regulated related-party agreement may be considered as no longer meeting the criteria that led to its classification as regulated, in which case it is reclassified as an ordinary related-party agreement.

The charter is available on Safran's website (under Group/Corporate Governance).

Regulated related-party agreements

In accordance with Article L.22-10-13 of the French Commercial Code, information on the agreements that fall within the scope of Article L.225-38 of the French Commercial Code can be found on the Company's website under "Group/Governance." The Statutory Auditors' special report on regulated related-party agreements is set out in section 7.3 of this Universal Registration Document.

Two regulated related-party agreements were authorized at the end of 2023 and entered into in 2024. The regulated related-party agreements were approved at the Annual General Meeting of May 23, 2024 (see section 7.3). No regulated related-party agreements were entered into in 2024.

Moreover, the annual review and assessment conducted by the Board in 2024 did not give rise to any reclassifications.

2.2.6 Changes in the membership structure of the Board of Directors

2.2.6.1 Process for selecting and re-appointing Directors

The process for reappointing Directors or selecting candidates to be put forward for appointment as Directors is carried out by the Appointments and Compensation Committee on the Board's behalf. This Committee conducts the process under the supervision of the Company's non-executive Chairman and the Chair of the Appointments and Compensation Committee, who is also the Lead Independent Director.

This process mainly concerns the reappointment and selection of independent Directors because, by definition, it does not cover Directors whose appointment is subject to specific provisions of the law or the Company's bylaws (see section 2.2.3 – "Representative of the French State and Director put forward by the French State" and "Directors representing employees").

Process for selecting new Directors

This process is based on regular reviews of the list of criteria (the skills and attributes expected of Directors or of a given candidate) that form part of the Board of Directors' diversity policy (see section 2.2.4.2).

The main stages of this process are usually as follows:

- determining the profiles sought and the related essential and additional skills and attributes (specifications), taking into account (i) the principles and objectives of the Board of Directors' diversity policy (see section 2.2.4.2), (ii) the aim of achieving a balanced Board membership structure, and (iii) any specific requirements expressed, for example during the assessment of the Board's operating procedures;
- selecting a specialized firm or consultant to help with the process if necessary;
- drawing up and reviewing lists of potential candidates and performing the necessary checks (compliance with specifications, independence, analysis of business relations);
- short-listing potential candidates based on their files;
- contacting the best profiles and organizing interviews with them by the Appointments and Compensation Committee;
- issuance by the Appointments and Compensation Committee of its recommendation to the Board of Directors (initial selection);
- decision by the Board of Directors (final selection of the candidate), and candidate put forward for appointment (or for ratification of the Board's appointment) by the shareholders at the Annual General Meeting, with the reasons for the Board's choice of candidate included in its report to the Annual General Meeting.

Application of the process in 2024

The selection process for new Directors was applied on two occasions in 2024:

■ in preparation for the expiration of the terms of office of the Directors representing employee shareholders:

- following the internal elections conducted to nominate the Directors representing employee shareholders (see section 2.2.3), the Appointments and Compensation Committee reviewed the profiles of the candidates to be put forward at the May 23, 2024 Annual General Meeting, and recommended that the Board put forward Pascale Dosda for appointment,
- taking into consideration its diversity policy, the Board approved the Committee's recommendation, and at the May 23, 2024 Annual General Meeting, the shareholders appointed Pascale Dosda as a Director representing employee shareholders, replacing Marc Aubry, for a four-year term expiring at the close of the 2028 Annual General Meeting. The Board considered that, in addition to her perspective as an employee shareholder, Pascale Dosda would bring to the Board her financial and industrial expertise, alongside her knowledge of supply chain issues and her experience in HR;

■ in preparation for the expiration of Hélène Auriol Potier's term of office:

At the end of 2024, Hélène Auriol Potier informed the Lead Independent Director and the Chairman of the Board that, for personal reasons, she did not wish to stand for reappointment as a Director at the end of her second term of office, which is due to expire at the close of the 2025 Annual General Meeting.

After establishing the profile sought in line with the Board's diversity policy, the Chair of the Appointments and Compensation Committee and the Chairman of the Board launched a search for Director candidates with a specialized recruitment firm. Several profiles were presented, some of whom were selected for interview with the Appointments and Compensation Committee in 2025.

Process for reappointing Directors

The main stages of this process are usually as follows:

- the Chairman (or the Lead Independent Director when the reappointment concerns the Chairman) verifies whether or not the Director whose term of office is due to expire wishes to be re-appointed;
- The Appointments and Compensation Committee draws up its recommendation as to whether or not the Director should be re-appointed.

The Committee's decision in these cases is based on a number of different factors, including:

- the Director's motivation, as reported on by the Chairman or the Lead Independent Director following an interview with the Director, or as assessed at an interview with the Committee;
- whether the Director's profile is still in line with:
 - the list of criteria (main and additional skills and attributes and specific factors) expected of Directors and which form part of the Board of Directors' diversity policy (see section 2.2.4.2),
 - the overall balance sought for the Board's membership structure;
- any specific needs and expectations mentioned in the assessments of the Board and its Committees;
- the Director's contribution to the work of the Board and any Committees of which they are a member;
- the Director's availability, particularly with regard to the number of directorships held in other companies and the Director's attendance rate at Board meetings and meetings of any Committee(s) of which he or she is a member;
- any business relationships the Director may have with the Company;
- decision by the Board of Directors, based on the recommendation of the Appointments and Compensation Committee, and the Director is put forward for reappointment at the Annual General Meeting, with the reasons for the Board's decision included in its report to the Annual General Meeting.

Application of the process in 2024

The Director reappointment process was applied on two occasions in 2024:

■ in preparation of the expiration of Anne Aubert's term of office as a Director representing employee shareholders:

following the internal elections conducted to nominate the Directors representing employee shareholders (see section 2.2.3), the Appointments and Compensation Committee reviewed the profiles of the candidates to be put forward at the May 23, 2024 Annual General Meeting, and recommended that the Board put forward Anne Aubert for reappointment.

Taking into consideration its diversity policy, the Board approved the Committee's recommendation, and at the May 23, 2024 Annual General Meeting, the shareholders re-appointed Anne Aubert as a Director representing employee shareholders for a four-year term expiring at the close of the 2028 Annual General Meeting.

The Board based its decision on its view that Anne Aubert brings to the Board her knowledge of the operational reality of the programs in the Group's Seats activities, as well as her governance experience in a listed company (she has been a Director representing Safran employee shareholders since the 2020 AGM, having previously been a member of the Supervisory Board of Zodiac Aerospace);

■ in preparation for the expiration of Patricia Bellinger's term of office as an independent Director:

The Chairman of the Board and the Lead Independent Director verified that Patricia Bellinger wished to stand for reappointment as a Director.

Based on the recommendation of the Appointments and Compensation Committee, the Board of Directors decided that it wished to continue to benefit from her expertise and therefore invited shareholders to renew Patricia Bellinger's term as an independent Director for a four-year term expiring at the close of the 2028 AGM.

The Board has verified that Patricia Bellinger continues to qualify as independent based on (i) the criteria set out in the AFEP-MEDEF Code, (ii) the Board of Directors' Internal Rules (see section 6.2.4.1 of the 2023 Universal Registration Document), and (iii) the legal requirements and the recommendations of the AFEP-MEDEF Code concerning multiple directorships.

The Board has also assessed her individual contribution to the work of the Board and that of the Appointments and Compensation Committee, of which she is a member. At the time of that assessment, the Board took the opportunity to once again praise Patricia Bellinger's expertise in strategic and people-related matters.

The Board considered that Patricia Bellinger contributes to the Board the depth and breadth of her career and her diverse experience, as well as her time in industry, her HR/Diversity/Talent Management expertise (in terms of both strategic and people-centric issues), her multilingualism, and her knowledge of French corporate governance.

The shareholders at the May 23, 2024 Annual General Meeting re-appointed Patricia Bellinger as an independent Director for a four-year term expiring at the close of the 2028 AGM;

■ in preparation for the expiration of the terms of office as independent Directors of Patrick Pélat and Fabienne Lecorvaisier:

At the end of 2024, Patrick Pélat and Fabienne Lecorvaisier individually informed the Lead Independent Director and the Chairman of the Board that they wished to stand for reappointment as Directors. The reappointment process was conducted at the beginning of 2025 and submitted in February 2025 for review by the Appointments and Compensation Committee and its recommendation to the Board of Directors (see sections 2.2.6.3.2 and 2.2.6.3.3).

See sections 2.2.6.3, 7.2.4.1 and 7.2.4.2 of this Universal Registration Document for information about the changes in the Board's membership structure that will be put forward for the shareholders' approval at the next Annual General Meeting.

2.2.6.2 Changes in the membership structure of the Board of Directors in 2024 or since January 1, 2025

	Reappointment	Temporary appointment by the Board	Appointment	Departure
BOARD OF DIRECTORS	Patricia Bellinger (at the Annual General Meeting of May 23, 2024)			
			Pascale Dosda (at the Annual General Meeting of May 23, 2024)	Marc Aubry (term of office expiring at the close of the Annual General Meeting to be held on May 23, 2024)
	Anne Aubert (at the Annual General Meeting of May 23, 2024)			
AUDIT AND RISK COMMITTEE			Ivan Hardouin (by way of a Board decision on May 23, 2024)	Marc Aubry (term of office expiring at the close of the Annual General Meeting to be held on May 23, 2024)
APPOINTMENTS AND COMPENSATION COMMITTEE	Patricia Bellinger (by way of a Board decision on May 23, 2024)			
INNOVATION, TECHNOLOGY & CLIMATE COMMITTEE	-	-	-	-

At the Annual General Meeting of May 23, 2024:

- Patricia Bellinger was re-appointed as an independent Director (with 98.72% of the shareholders voting in favor) for a four-year term expiring at the 2028 AGM.

Based on the recommendation of the Appointments and Compensation Committee, the Board of Directors decided to put forward Patricia Bellinger for reappointment by the shareholders at the Annual General Meeting because it wished to continue to benefit from her expertise.

Patricia Bellinger complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

Patricia Bellinger's profile is presented in section 2.2.2.

- Pascale Dosda, Chair of the Supervisory Board of the Safran Investissement corporate mutual fund (as main candidate, together with her deputy Daniel Luck, a member of the Supervisory Board of the Safran Ouverture corporate mutual

fund), was appointed as a Director representing employee shareholders (with 99.91% of the shareholders voting in favor), for a four-year term expiring at the 2028 AGM.

Pascale Dosda complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

Pascale Dosda's profile is presented in section 2.2.2.

- Anne Aubert (as main candidate, together with her deputy David Baudu), was re-appointed as a Director representing employee shareholders (with 99.90% of the shareholders voting in favor), for a four-year term expiring at the close of the 2028 AGM.

Anne Aubert complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

Anne Aubert's profile is presented in section 2.2.2.

2.2.6.3 Membership structure of the Board of Directors and resolutions proposed to the shareholders at the Annual General Meeting of May 22, 2025

2.2.6.3.1 Appointment of Valérie Baudson as an independent Director

Hélène Auriol Potier, whose term of office is due to expire at the close of the Annual General Meeting on May 22, 2025, has informed the Board that she does not wish to stand for reappointment as a Director of Safran.

Following a selection procedure led by the Chairman of the Board towards the end of 2024, the Lead Independent Director and the Appointments and Compensation Committee (see section 2.2.6.1), the profile of Valérie Baudson was chosen as the one that most closely matched the candidate requirements drawn up by the Board, in

terms of independence, leadership experience in asset management companies, and financial markets expertise.

The Board noted that Valérie Baudson complies with the legal rules and recommendations of the AFEP-MEDEF Code concerning independence and multiple directorships.

By way of a decision on February 13, 2025, based on the recommendation of the Appointments and Compensation Committee, the Board decided to put forward Valérie Baudson for appointment by the shareholders as an independent Director, replacing Hélène Auriol Potier, for a four-year term expiring at the close of the 2029 AGM. Valérie Baudson's profile is presented in section 7.2.4.

2.2.6.3.2 Reappointment of Fabienne Lecorvaisier as an independent Director

Based on the recommendations of the Appointments and Compensation Committee, the Board of Directors has decided that it wishes to continue to benefit from her expertise and is therefore inviting the shareholders at the Annual General Meeting of May 22, 2025 to renew the term of Fabienne Lecorvaisier as an independent Director for a four-year term expiring at the close of the Annual General Meeting to be held in 2029.

Fabienne Lecorvaisier complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding independence and the maximum number of offices that can be held by a corporate officer and/or Director.

Fabienne Lecorvaisier's profile is presented in section 2.2.2.

2.2.6.3.3 Reappointment of Patrick Péлата as an independent Director

Based on the recommendations of the Appointments and Compensation Committee, the Board of Directors has decided that it wishes to continue to benefit from his expertise and is therefore inviting the shareholders at the Annual General Meeting of May 22, 2025 to renew the term of Patrick Péлата as an independent Director for a four-year term expiring at the close of the Annual General Meeting to be held in 2029.

Patrick Péлата complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding independence and the maximum number of offices that can be held by a corporate officer and/or Director.

Patrick Péлата's profile is presented in section 2.2.2.

If the shareholders vote in favor of the Board's recommendations at the Annual General Meeting on May 22, 2025, at the close of that Meeting:

- the percentage of independent Directors will remain unchanged, at 66.7%;
- the Board's gender parity ratio will remain unchanged at 41.7%.

2.2.6.4 Expiration dates of Directors' terms of office

The table below sets out the expiration dates of the terms of office of Safran's Directors.

Director	2025	2026	2027 ⁽¹⁾	2028	Procedure for reappointment/replacement
Ross McInnes			✓ ⁽⁴⁾		AGM
Olivier Andriès			✓ ⁽⁴⁾		AGM
Anne Aubert				✓ ⁽⁶⁾	AGM
Hélène Auriol Potier	✓ ⁽²⁾				AGM
Patricia Bellinger				✓ ⁽⁶⁾	AGM
Fabrice Brégier			✓ ⁽⁴⁾		AGM
Monique Cohen		✓ ⁽³⁾			AGM
Christèle Debarenne-Fievet			✓ ⁽⁵⁾		Election
Pascale Dosda				✓ ⁽⁶⁾	AGM
Céline Fornaro			✓ ⁽⁴⁾		Ministerial decree
Laurent Guillot			✓ ⁽⁴⁾		AGM
Ivan Hardouin			✓ ⁽⁵⁾		Election
Alexandre Lahousse			✓ ⁽⁴⁾		AGM
Fabienne Lecorvaisier	✓ ⁽²⁾				AGM
Patrick Péлата	✓ ⁽²⁾				AGM
Robert Peugeot		✓ ⁽³⁾			AGM

(1) At the Annual General Meeting on May 22, 2025, the shareholders will be asked to amend the provisions of the Company's bylaws relating to the terms of office of shareholder-appointed Directors in order to provide for the possibility of terms of one, two or three years, in particular to enable the terms of office of Board members to be staggered, in accordance with the recommendations of the AFEP-MEDEF Code.

(2) At the close of the Annual General Meeting to be held on May 22, 2025 to approve the 2024 financial statements.

(3) At the close of the Annual General Meeting to be held in 2026 to approve the 2025 financial statements.

(4) At the close of the Annual General Meeting to be held in 2027 to approve the 2026 financial statements.

(5) November 19, 2027.

(6) At the close of the Annual General Meeting to be held in 2028 to approve the 2027 financial statements.

2.3 OPERATING PROCEDURES AND WORK OF THE BOARD OF DIRECTORS AND THE BOARD COMMITTEES

2.3.1 Internal Rules of the Board of Directors and its Committees

In addition to the provisions of the law and the Company's bylaws that govern its operating procedures, on April 21, 2011, the Board of Directors approved a set of Internal Rules that provide a number of specific terms and conditions relating to Board meetings, list the transactions that require the Board's prior approval, define the duties and operating procedures of the Board Committees, and set out the rules for allocating compensation between Board members based on the maximum amount set by shareholders at the Annual General Meeting. These Internal Rules are available on the Company's website (www.safran-group.com, in the Group/Governance/Board of Directors section).

The Internal Rules have been regularly updated since they were first adopted in order to take into account changes in regulations, the AFEP-MEDEF Code and Safran's internal organizational structure and operating procedures.

The Internal Rules were amended on February 14, 2024, in order to include the new roles and responsibilities of the Audit and Risk Committee following the French government order (*ordonnance*) 2023-1142 of December 6, 2023, transposing the EU Corporate Sustainability Reporting Directive (CSRD) into French law (see section 2.3.6.1).

They were last amended on March 20, 2025 in order to stagger the obligation for new Directors to acquire shares, in one or more tranches: 200 shares must be acquired within the seven days following their appointment, and the remaining 300 shares to reach a total of 500 shares must be acquired at the latest by December 31 of the year in which they were appointed as Director (see section 2.5.1). Lastly, the Internal Rules were amended on the same date to enshrine the Board's practices for monitoring forward-looking issues, in particular related to digital and emerging technologies, in order to anticipate the transformation of the Company and Group over the medium and long term (see section 2.1.4.1).

2.3.2 Summary table of attendance at meetings of the Board of Directors and the Board Committees in 2024

The following table shows the number of meetings of the Board and its Committees that took place in 2024 and the attendance rates of each Director.

Director	Number of Board of Directors' meetings attended	Attendance rate (%)	Number of Audit and Risk Committee meetings attended	Attendance rate (%)	Number of Appointments and Compensation Committee meetings attended	Attendance rate (%)	Number of Innovation, Technology & Climate Committee meetings attended	Attendance rate (%)
TOTAL NUMBER OF MEETINGS IN 2024	9	97	5	93	3	94	2	100
Ross McInnes	9	100						
Olivier Andriès	9	100						
Anne Aubert ⁽¹⁾	9	100						
Marc Aubry ⁽¹⁾⁽²⁾	4/4	100	2/2	100				
Hélène Auriol Potier	9	100			2/3	67	2	100
Patricia Bellinger	9	100			3	100		
Fabrice Brégier	9	100					2	100
Monique Cohen	9	100			3	100		
Christèle Debarenne-Fievet ⁽³⁾⁽⁴⁾	9	100			3	100		
Pascale Dosda ⁽¹⁾⁽⁵⁾	5/5	100						
Céline Fornaro	9	100	5	100	3	100		
Laurent Guillot	9	100	5	100			2	100
Ivan Hardouin ⁽³⁾	9	100	3/3	100			2	100
Alexandre Lahousse	7/9	78					2	100
Fabienne Lecorvaisier	8/9	89	5	100				
Patrick Pélatà	9	100	4/5	80	3	100	2	100
Robert Peugeot	7/9	78	4/5	80				

(1) Director representing employee shareholders

(2) Marc Aubry's term of office as a Director representing employee shareholders and a member of the Audit and Risk Committee expired at the close of the May 23, 2024 Annual General Meeting.

(3) Director representing employees.

(4) Christèle Debarenne-Fievet only attends the "compensation" part of Appointments and Compensation Committee meetings.

(5) Pascale Dosda was appointed to replace Marc Aubry as a Director representing employee shareholders at the May 23, 2024 Annual General Meeting.

2.3.3 Operating procedures and work of the Board of Directors

Indicators

	Dec. 31, 2023	Dec. 31, 2024
Number of meetings	10	9
Average attendance rate	98%	97%
Number of Directors	16	16
Percentage of independent Directors ⁽¹⁾	66.7% (8 out of 12)	66.7% (8 out of 12)

(1) Excluding Directors representing employee shareholders and Directors representing employees.

Duty of confidentiality

Members of the Board of Directors and all individuals who attend meetings of the Board and its Committees are subject to strict duties of confidentiality and discretion with respect to the information provided to them in this context. The Directors must take all necessary measures to ensure that the files and documents communicated to them remain confidential.

In addition to this duty of confidentiality, Board members undertake not to make any public disclosures of information, in their capacity as Board members, relating to any issues concerning the Company and/or the Group (irrespective of whether or not such information concerns matters discussed in Board meetings), without obtaining the Chairman's prior approval. The Chairman of the Board is the only Board member who has the powers to communicate information on behalf of the Board of Directors.

Board of Directors' meetings

The Board of Directors meets at least twice every quarter and meetings may be called by any means.

The agenda for Board meetings is put forward by the Board Secretary to the Chairman and reflects the work of the Board Committees and proposals made by members of the Board of Directors.

Before each meeting, the Board members receive the agenda as well as documents providing them with the information they need on the matters to be discussed during the meeting.

They may request any additional documents they consider useful.

Meetings can be called by any means whatsoever. The Board of Directors' Internal Rules state that Directors may participate in meetings by videoconference or any other means of telecommunications. In addition, in the cases permitted by law, the Board of Directors may take decisions by means of written consultation.

At least half of the Board's members must be present for a meeting to be validly constituted. Decisions are made by way of a majority vote of the members present or represented and the Chairman has a casting vote in the event of a split decision.

If a Director is unable to attend a meeting, he or she may give proxy to another Board member, it being specified that each Director may only hold one proxy.

Minutes are drawn up for each Board meeting and forwarded to all members of the Board in order that they may be approved at the following meeting.

In addition, the Chairman keeps the Board of Directors informed, by any means, of all significant events concerning the Group and its financial position. The Directors receive a copy of Safran's press releases, a press review and stock market reports on Safran's share performance.

Work of the Board of Directors in 2024

The Board of Directors met nine times in 2024, with an average attendance rate of 97%.

In accordance with the provisions of the Internal Rules, certain deliberations of the Board of Directors were prepared based on recommendations and proposals put forward by the Board Committees in their area of specialization. These Committees reported on their findings and submitted their opinions and proposals to the Board.

An item devoted to reports given on the work of each Committee is included on the agenda of the Board meeting following the Committee meeting concerned. Each report is presented by the Committee Chair, and other members of the Committee may provide additional information during the Board meeting when required.

Prior to Board meetings, the Chairman may hold preparatory meetings with the Board's members, either on an individual or collective basis.

The main work conducted by the Board of Directors in 2024 was as follows:

Strategy

Determining the Group's overall strategy is one of the essential roles of the Board of Directors. The way the work on strategic issues is structured means that all of the Directors are directly involved in this fundamental aspect of the Board's duties:

- **Strategy seminar:** a strategy seminar is held once a year, providing the opportunity for in-depth work on the Group's strategic goals. The Chairman and the Chief Executive Officer prepare these seminars and determine the particular topics and issues to be addressed, taking into account the issues identified by Executive Management and the priorities expressed by the Directors. Four or five topics are examined each year.

The September 2024 seminar took place over two consecutive days at the Safran University site.

The Board's work also covered the topic of integrating Artificial Intelligence (including generative AI) within the Group, following the acquisition of Preligens (see sections 1.2.2.6 and 6.1.3.2).

As part of a broad-based review of AI, the Board examined a range of topics, such as the ways in which AI is being adopted by the Group, its role in digital transformation, the main areas in which it is being used, the AI governance framework being set up within the Group, (including data governance), employee training and acculturation, examples of use cases, AI's potential for products and the way AI can be used in cybersecurity. The Board will continue its work in this area during 2025.

- **Business reviews:** the in-depth discussions and strategic goals set at these seminars are then used as a basis for addressing and continuously monitoring strategic issues at each Board meeting.

- At Board meetings, the Chairman and the Chief Executive Officer regularly provide a status report on strategic projects (strategic agreements and partnerships, major development projects or programs, external growth projects, negotiations in progress and any difficulties encountered). The Board is given presentations on these projects at the various stages of their development.

- In his business reviews, the Chief Executive Officer also gives regular updates on launches of new projects and structural programs.

In 2024, these updates included reports on the geopolitical and economic context and on Safran's related adaptation plan.

On an annual basis, the Board examines the results of the consultation with the Central Social and Economic Committee on the strategic goals set for the Company and the Group.

- **Agenda:** certain Board meetings may be dedicated to a particular strategic or M&A project and the Board is given regular updates and progress reports on M&A activity. This was the case, for example, with the proposed acquisition of Component Repair Technologies and Preligens in 2024.
- **Temporary special committees:** in some cases, the Board's work on strategic issues is carried out with the assistance, on an ad hoc basis, of special committees specifically set up to analyze strategic operations or monitor preliminary studies on strategic matters (such as strategic partnerships and agreements or transactions affecting the Group's scope of consolidation). A special committee was set up on this ad hoc basis on one occasion in 2024 in order to examine a potential strategic acquisition envisaged by the Group.

Corporate governance and compensation

As is the case every year, the Board of Directors' corporate governance work mainly included reviewing the membership structure of the Board and its Committees, examining the independence status of Directors, preparing the Annual General Meeting, and setting the compensation policies and packages for Safran's corporate officers (both executive and non-executive).

The Board's work during the year also concerned:

- reviewing the succession plan for the Chief Executive Officer;
- changes in the Board's membership structure, in particular the appointment/reappointment of Directors (see section 2.2.6.2);
- appointment of the Sustainability Auditors;
- reviewing the annual assessment of the Board and its Committees (see section 2.3.7);
- reviewing Directors' independence (see section 2.2.4.1);
- calling the May 23, 2024 Annual General Meeting;
- reviewing the compensation policies of the Chairman, the Chief Executive Officer and the Directors;
- reviewing the outcome of the consultation process with the Central Social and Economic Committee relating to the Group's annual report on gender equality in the workplace and equal pay;
- allocating performance shares to Group executives (see section 2.6.5.2.1) under the 2024 Long-Term Incentive Plan and setting the applicable performance conditions (including criteria related to CSR);
- granting existing or new shares of the Company, without consideration and without performance conditions, to employees of the Company and other Group entities (see section 8.2.2.4 of the 2023 Universal Registration Document);
- reviewing two related-party agreements governed by Article L.225-38 of the French Commercial Code: (i) the agreement entered into between the French State, ArianeGroup Holding and MaiaSpace, in the presence of Safran, relating to MaiaSpace's sensitive assets, and (ii) Amendment no. 1 to the agreement entered into on June 24, 2016 between the French State and ArianeGroup Holding, in the presence of Safran, relating to ArianeGroup's protected assets and strategic subsidiaries and interests; these

agreements were submitted for approval at the May 23, 2024 Annual General Meeting (see section 7.3.1);

- reviewing the related-party agreements that remained in force in 2024 (with the Board concluding that they continue to meet the criteria that led the Board to originally authorize them);
- addressing agenda items referred to as “executive sessions” (see section 2.3.5 below), which have been, in principle, set at each Board meeting since 2021, and holding exceptional meetings during the year when required;
- carrying out its annual assessment of its operations and the individual input of its members;
- reviewing the work and reports of the Appointments and Compensation Committee.

Industrial and commercial matters

Updates are provided at Board meetings on the Group’s industrial and commercial situation, and a progress report is given on programs under development.

Throughout the year, the Board was briefed by the Chief Executive Officer on the Group’s significant events, as well as on the general operating context (notably for the aerospace industry), business trends and developments, acquisitions and divestments, the progress of major programs in light of the current context, negotiations or signatures of key agreements, overall market trends, and the competitive environment.

Targeted presentations were also given on certain activities and programs and their outlook, including Safran Corporate Ventures (see section 5.1.4.4.3) and the defense activities of Safran Electronics & Defense (see section 1.2.2.5).

Economic and financial matters

As is the case every year, the Board approved the annual and interim financial statements, submitted the profit appropriation and dividend payment for approval at the Annual General Meeting, and reviewed the Universal Registration Document (including the Annual Financial Report) and the Integrated Report.

The Board’s other work on financial matters mainly concerned:

- reviewing and approving the Group’s four-year business plan;
- approving and monitoring the annual budget;
- reviewing financial and non-financial communications (including the Group’s financial outlook and underlying assumptions) as well as the guidance communicated to the markets and the update to the guidance;
- preparing the 2024 Capital Markets Day;
- reviewing acquisition and divestment projects and the related decisions;
- monitoring the Group’s cash and liquidity position (financing, refinancing and ensuring liquidity);
- reviewing the Group’s policy for hedging EUR/USD currency risk;
- implementing the share buyback program (in accordance with the authorization given by shareholders at the Annual General Meeting);
- examining the work of the Audit and Risk Committee (see section 2.3.6.1) and its reports (also covering the Group’s policies relating to risk management, insurance, audit and internal control, and ethics and compliance). The Chair of the Audit and Risk Committee also gave presentations to the Board on certain topics, such as the risk map.

In accordance with the applicable laws, the Board’s prior authorization is required for guarantees, endorsements and sureties granted in Safran’s name. Each year, the Board sets a blanket ceiling up to which guarantees, endorsements and sureties may be granted by the Chief Executive Officer, and any commitments exceeding this ceiling must be specifically authorized by the Board. The Board once again set this blanket ceiling at €500 million for 2024 (with no ceiling on guarantees, endorsements and sureties given to tax and customs authorities).

The Board was briefed during the year by the Chief Executive Officer and Chief Financial Officer, notably at the quarterly business report presentations, about the Group’s financial position, any financial guarantees granted and any disputes and litigation in process.

The Statutory Auditors attended the Board of Directors’ meeting of February 14, 2024, when they reported on their audit work on the parent company and consolidated financial statements for 2023 and presented their audit findings. They certified the 2024 parent company and consolidated financial statements without qualification. They also attended the Board of Directors’ meeting of July 30, 2024 to present their work on the consolidated financial statements for the first half of 2024.

Corporate Social Responsibility (CSR)⁽¹⁾

The Board of Directors sets the Company’s overall business strategy and oversees its implementation, in accordance with the Company’s best interests and taking into account the social and environmental aspects of its activities.

The Group’s 2024 CSR policy has been approved by the Board, and the standard agendas of the meetings of the Board and its Committees regularly include items that address the three pillars of this strategy, namely:

- act for the environment;
- be an exemplary employer;
- embody responsible industry.

(1) ESRS 2 GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative bodies.

In practice, CSR issues are not only taken into account directly at the level of the Board of Directors, but are also integrated into the work of all of the Board Committees and are reviewed collaboratively within the Board through reports drawn up by the Committee Chairs. The Board analyzes these issues at meetings where CSR is a specific agenda item or as part of standard agenda items that incorporate CSR issues, as described below.

- A general presentation on the Group's CSR policy and its pillars is included once a year on the agenda of a Board meeting, during which the Board reviews the Group's CSR approach, main goals (HR, social and environmental), commitments and objectives as well as the related results and a summary of the CSR work plan.
- Certain topics discussed at the Board's strategy seminars dedicated to setting the Group's strategic objectives cover or factor in environmental issues that are key to the Group's operations and business development, and to the aerospace industry in general.
- The Board of Directors approves the climate strategy after it has been reviewed by the Innovation, Technology & Climate Committee. The related climate action plan is also monitored on a regular basis by the Board, the Innovation, Technology & Climate Committee, and the Executive Committee.
- The Group's medium-term business plan – which is presented and approved annually by the Board – includes an HR/social section, on which additional presentations may be given.
- When certain investments or programs are presented to the Board for its approval, information on the related social and environmental considerations are also presented where relevant. This principle is set out in the Board of Directors' Internal Rules (see section 2.3.1).
- The Board also reviews and validates the Universal Registration Document, which in the chapter entitled "Sustainability Statement and Duty of Care" sets out the Group's CSR strategy and information on the pillars of this strategy, as well as its sustainability disclosures. The Group's integrated report – which includes summarized CSR information – was also presented to the Board of Directors.
- In addition, annual presentations are given or focus discussions held about specific issues such as gender parity, equal opportunities in the workplace and equal pay, and the Group's "skills and recruitment" plan.

CSR issues form a major part of the work of the Board Committees, which report to the Board on these issues, within the scope of their respective remits:

- **The Innovation, Technology & Climate Committee** monitors objectives, trends, developments, progress and the overall direction of roadmaps concerning topics that include major environmental issues (CO₂, hybridization, etc.). These responsibilities include reviewing Executive Management's climate action plan and the related information intended for publication by the Company and for presentation to the Annual General Meeting (see section 2.3.6.3). In addition to reporting to the Board on its work, the subject of hybridization for civil aviation was presented to the Board.
- **The Audit and Risk Committee's** work and risk reviews include analyzing CSR-HR risks, such as risks related to health and safety, skills management and business ethics. It regularly carries out focused reviews of the main non-financial risks identified in the Group's risk mapping. This Committee also monitors compliance, ethics and human rights matters (see sections 5.1.3.2.1 and 5.1.4.3.2), as well as issues related to the EU taxonomy (see section 5.1.2.4). In 2024, the Audit and Risk Committee's remit changed in accordance with government order (*ordonnance*) 2023-1142 of December 6, 2023, which transposed the EU Corporate Sustainability Reporting Directive into French law (see section 2.3.6.1). In connection with the new requirements introduced by this order, during the year the Board of Directors selected the Sustainability Auditors to be put forward for appointment at the May 23, 2024 Annual General Meeting and reviewed the Group's double materiality assessment.
- As part of its work on compensation and in the related recommendations it makes to the Board, the **Appointments and Compensation Committee** ensures that CSR-Climate performance objectives are properly taken into account in compensation policies and packages. In line with this, a portion of the Chief Executive Officer's annual variable compensation is contingent on such objectives and the same is true for performance shares granted under LTI plans.

In its work on appointments, the Committee's selection criteria for Directors take into account the candidates' sensitivity to and experience or expertise in CSR matters.

Lastly, it ensures that the Board's formal assessment process includes CSR issues in the questionnaires and interviews with the Directors.

Thirteen Directors have been identified as having CSR - sustainability - HR skills and expertise (see section 2.2.2). The Board benefits from continuous training opportunities to develop their skills in CSR and sustainability.

2.3.4 Succession plans for the Chairman and the Chief Executive Officer

Anticipating and ensuring a smooth succession process for the Chairman and the Chief Executive Officer is one of the Board's main responsibilities.

On the recommendation of the Appointments and Compensation Committee, the Board regularly reviews and approves a succession plan aimed at covering any unforeseeable or sooner-than-expected vacancies (notably due to death, resignation or incapacity) for the positions of Chairman of the Board of Directors and Chief Executive Officer. This plan sets out several possible solutions that could be envisaged if any of

these events were to occur, and can remain in force without requiring an annual review. However, the Board of Directors would need to carry out another analysis at the time any such unforeseen or sooner-than-expected vacancy occurred, before deciding on the course of action to take.

Every year, the Appointments and Compensation Committee reviews the succession plans of the Group's Executive Committee (including the Chief Executive Officer), based on relevant assumptions and expected timelines (see below).

General framework – Provisions on succession planning contained in the Board of Directors' Internal Rules

All of the elements presented below guide and enable coordinated implementation of the principles related to succession planning set out in the Board's Internal Rules, which provide that:

- the Chairman of the Board of Directors is responsible for organizing and managing the work of the Board of Directors and is notably responsible for working with the Board on the preparation and implementation of succession plans for the Group's key operations managers and support function managers, in conjunction with Executive Management (Articles 14.1 and 14.9);

- the Lead Independent Director takes part in preparing the succession plan for the Company's officers, including the Chairman of the Board of Directors, and leads the Board of Directors' discussions about the succession plan for the Chairman and any appraisals of his or her performance (Article 38.3).

Emergency succession plan for unforeseen or sooner-than-expected vacancies (due to death, resignation or incapacity)

This plan – which has been reviewed and validated by the Board of Directors – sets out the principles for the envisaged solutions that would be put in place if the position of Chairman or Chief Executive Officer were to become vacant sooner than expected or due to unforeseen circumstances. Different scenarios are provided for depending on whether the situation is definitive and

lasting or temporary and short-term. However, the Board of Directors would need to carry out another analysis at the time any such unforeseen or sooner-than-expected vacancy occurred, before deciding on the course of action to take.

This emergency succession plan can remain valid without the need for an annual review or update.

Non-emergency succession plan and process, based on the assumptions that the Chairman or Chief Executive Officer's term of office will be renewed and continued (or not) and a foreseeable or anticipated departure

The process for this type of succession, which has been reviewed and validated by the Board of Directors, sets out the timing and various stages for implementing the succession plan based on the assumptions of (i) a decision taken to renew and continue (or not) the term of office of the Chairman or Chief Executive Officer when their term expires, and, (ii) a foreseeable or anticipated departure (normal or accelerated succession). Concerning this second assumption, the process:

- sets out the principle that the plan must be rapidly implemented and managed in the strictest confidentiality in order to avoid any risk of destabilization for the Group;
- defines the persons involved in the process, depending on whether it concerns the Chairman or the Chief Executive Officer;

- provides that the Board Committee in charge of this issue is the Appointments and Compensation Committee, which reverts to the Board for all final succession decisions;
- provides that the selection process will include both internal and external candidates;
- specifies that, where possible or appropriate, the Chairman or the Chief Executive Officer will be asked to give their views on the shortlisted candidates for their succession, and notably to express their opinion on whether the profiles are suitable in light of their knowledge of the issues and priorities involved.

This process (method, principle and stages) can remain valid without the need for an annual review or update.

Further information on the long-term succession plan for the Group's executives

At its meeting on December 19, 2024, the Appointments and Compensation Committee reviewed the succession plan for the Group Executive Committee. This review gave the Committee an overview of the existing pool of internal talent over different time horizons (short, medium and long term), therefore helping with the preparation of the succession plan for the Group's

Chairman and the Chief Executive Officer. The succession plan for the Chief Executive Officer was also reviewed at this meeting.

This review by the Appointments and Compensation Committee is carried out in principle on an annual basis and is conducted in the presence of the Chief Executive Officer.

2.3.5 Executive sessions

Since 2021, “executive sessions” have been included as an agenda item at the end of each Board meeting.

No specific topics are necessarily assigned to these sessions beforehand and they are intended to leave room for regular discussions, without any executive Directors being present, about:

- the operating procedures of the Company’s governing bodies (Board of Directors, Board Committees, Executive Committee) and any amendments thereto; and
- specific topics or subjects that the Directors would like to see presented or dealt with in Board or Committee meetings.

Executive sessions may also be held separately from Board meetings.

They are generally chaired by the Lead Independent Director and take place without the following Directors attending: the Chief Executive Officer, the Directors representing employees and the Directors representing employee shareholders, or the Chairman of the Board of Directors (when an agenda item concerns him personally). However, the above Directors may attend executive sessions in certain specific circumstances.

In 2024, the Board held four executive sessions, including one dedicated to assessing the Board’s operating procedures (see section 2.3.7).

2.3.6 Committees of the Board of Directors

The Board of Directors’ Internal Rules provide for the Board’s decisions regarding certain issues to be prepared by specialized committees that review matters within their remit and submit their opinions, proposals and recommendations to the Board.

The Board is assisted in its work by three standing committees, whose roles, organizational structure and operating procedures are set out in the Board of Directors’ Internal Rules:

- the Audit and Risk Committee;
- the Appointments and Compensation Committee; and
- the Innovation, Technology & Climate Committee.

In its area of expertise, each Committee carries out in-depth work and analysis prior to the Board of Directors’ discussions and contributes to the preparation of the Board’s decisions. It makes proposals and recommendations to the Board, and gives its opinion on the matters under review.

Therefore, each Committee may offer its services to the Board for the purpose of conducting internal or external studies that may provide the Board with helpful information for its decisions.

At each Board meeting, the Chair of each Committee – or any other Committee member designated if the Chair is unable to do so – reports to the Board on the Committee’s work, proposals and recommendations.

The Chair of a Committee may decide to relay to the Board all or part of the presentations given within their particular Committee. Presentations on topics such as ethics and compliance, cybersecurity, risks and insurance are systematically shared with all of the Board of Directors.

The Board of Directors may set up further standing committees at any time, at its sole discretion, and may amend the Board’s Internal Rules for the purpose of specifying the roles and responsibilities, resources, membership structure and operating procedures of such new committees. It may also set up temporary special committees, on an ad hoc basis, to analyze, deal with or monitor specific issues or projects.

2.3.6.1 Audit and Risk Committee

2.3.6.1.1 Indicators

	Dec. 31, 2023	Dec. 31, 2024
Number of meetings	5	5
Average attendance rate	96%	93%
Number of members	6	6
Percentage of independent members ⁽¹⁾	80% (4 out of 5)	80% (4 out of 5)

(1) Excluding the Director representing employees.

In accordance with the Internal Rules of the Board and the Board Committees, the Audit and Risk Committee must have at least three members, including its Chair. These members are selected from among the Directors, other than the Chairman of the Board of Directors, who do not have management duties within Safran. Two-thirds of the members on this Committee, including its Chair, must be independent Directors. All Audit and Risk Committee members have expertise in finance, accounting, statutory auditing or management control, acquired through operational roles or corporate officers' positions within or outside the Safran Group (see profiles in section 2.2.2).

The Audit and Risk Committee meets at least four times a year, and the Statutory Auditors are always invited to its meetings, except where a joint meeting is held with another Committee.

Ivan Hardouin joined the Audit and Risk Committee to replace Marc Aubry, whose term of office as a Director expired at the close of the May 23, 2024 Annual General Meeting.

At the filing date of this Universal Registration Document, the Audit and Risk Committee has six members, 80% of whom are independent Directors (not counting the Director representing employees in accordance with the recommendations of the AFEP-MEDEF Code and Article 28.2 of the Board's Internal Rules).

MEMBERSHIP STRUCTURE	At the filing date of this Universal Registration Document		Date of appointment	Expiration of term of office	Seniority as a Committee member ⁽¹⁾
		Independent			
	Laurent Guillot, Chairman	X	May 23, 2019 (member) May 26, 2021 (Chairman)	2027	5 years and 10 months
	Céline Fornaro (representative of the French State)		Feb. 17, 2023	2027	2 years and 1 month
	Ivan Hardouin (Director representing employees)		May 23, 2024	2027	10 months
	Fabienne Lecorvaisier	X	May 26, 2021	2025	3 years and 10 months
	Robert Peugeot	X	May 25, 2018	2026	6 years and 10 months ⁽²⁾
	Patrick Pélatà	X	Dec. 15, 2023	2025	1 year and 3 months

(1) At the filing date of this Universal Registration Document.

(2) Including as permanent representative of F&P until December 2022.

ROLES AND RESPONSIBILITIES

In 2024, the Audit and Risk Committee's remit changed in accordance with government order (*ordonnance*) 2023-1142 of December 6, 2023, which transposed the EU Corporate Sustainability Reporting Directive into French law.

The main roles and responsibilities of the Audit and Risk Committee – which acts under the responsibility of the Board of Directors – are to examine the financial statements and address issues related to the preparation and auditing of accounting and financial information. It monitors the financial and sustainability reporting processes, as well as the process followed for deciding which information should be disclosed in accordance with sustainability reporting standards, and, where appropriate, makes recommendations to ensure the integrity of these processes.

In this regard, it is responsible for:

- reviewing the draft interim and annual parent company and consolidated financial statements before they are submitted to the Board of Directors, and in particular:
 - ensuring that the accounting policies adopted to prepare the parent company and consolidated financial statements are relevant and applied consistently, and
 - examining any problems encountered related to applying accounting policies.

In this respect, it also monitors the plans and measures put in place for applying the main planned changes in accounting policies, including the application of new international financial reporting standards;

- reviewing the financial documents and non-financial reporting data issued by Safran in connection with the end of the annual and half-year reporting periods;
- reviewing draft financial statements prepared for the requirements of specific transactions, such as asset contributions, mergers, spin-offs or payments of interim dividends;
- reviewing the financial aspects of certain transactions proposed by Executive Management and submitted to the Board of Directors (some of which for prior authorization), such as:
 - capital increases,
 - equity investments, and
 - acquisitions or divestments;
- assessing the reliability of the systems and procedures used to prepare the financial statements and the validity of the accounting treatment applied for major transactions;
- ensuring that the parent company and consolidated financial statements are audited by the Statutory Auditors;
- reviewing the quality of the methods and procedures used for (i) reporting financial information, (ii) carrying out consolidation restatements of accounting information received from the Group's foreign companies, and (iii) sustainability reporting.

The Audit and Risk Committee is also responsible for verifying that Safran's internal control and risk management and, where applicable, its internal audit systems, are effective in relation to the preparation and processing of accounting, financial and sustainability-related information, including in digital format, without this affecting its independence.

In this regard, it is responsible for:

- assessing, with the people responsible for such activities, the Group's internal control systems;
- reviewing, with the people responsible for such activities at Group level and with the assistance of Internal Audit:
 - internal control objectives and contingency and action plans,
 - the findings of audits and actions carried out by the relevant managers within the Group, and
 - the recommendations made and follow-up of such audits and actions, by the relevant managers;
- reviewing Internal Audit methods and results;
- checking that the procedures used by Internal Audit lead to the preparation of financial statements that:
 - present a fair view of the Company, and
 - comply with accounting rules;
- reviewing the relevance of risk analysis and monitoring procedures, ensuring the implementation of a procedure for identifying, quantifying and preventing the main financial and non-financial risks arising in the Group's businesses; and
- reviewing and managing the rules and procedures applicable to conflicts of interest.

Lastly, the Audit and Risk Committee is tasked with ensuring the effectiveness of Safran's external audits and monitoring the work of the Statutory Auditors in relation to certifying both financial statements and sustainability disclosures.

In this regard, it is responsible for:

- overseeing the Statutory Auditor selection procedure and issuing a recommendation on the Statutory Auditors to be put forward for appointment or reappointment by shareholders at the Annual General Meeting;
- ensuring that the Statutory Auditors respect the independence criteria required of auditors certifying financial statements and sustainability disclosures, based on discussions, and information and substantiations provided by the Statutory Auditors;
- reviewing the fees paid to the Statutory Auditors, which should not call into question their independence or objectivity;
- regularly reviewing with the Statutory Auditors:
 - the audit plans and their findings, and
 - their recommendations and the follow-up thereof;
- factoring in the observations and findings issued following any audits performed by the French Accounting Oversight Board (Haut Conseil du Commissariat aux Comptes – H3C);
- without prejudice to the powers of the Board of Directors, approving the provision of non-audit services as authorized under the applicable regulations, including examining and validating the related methods and procedures and ensuring they are respected;
- examining the findings of the auditors' work concerning the certification of the financial statements and sustainability disclosures, and reviewing how these engagements have contributed to the integrity of Safran's financial information and sustainability disclosures. It reports to the Board on the role it has played in this process, based on the additional report that the Statutory Auditors will issue annually, and promptly informs the Board of any difficulties encountered.

ROLES AND RESPONSIBILITIES

**MAIN WORK
CARRIED OUT
IN 2024**

The Audit and Risk Committee met five times in 2024 in order to address the above topics, with an average attendance rate of 93%.

The Statutory Auditors, the Government Commissioner, the Group Chief Financial Officer and the Corporate Secretary attended all of these meetings.

The main work carried out by the Committee during these meetings related to:

- reviewing the interim and annual parent company and consolidated financial statements, with a presentation by the Chief Financial Officer on the Group's off-balance sheet commitments, which was also attended by the Group Management Control and Accounts Director and the Group Chief Accounting Officer. The review enabled the Committee to have discussions with the Statutory Auditors without any members of Executive Management being present;
- reviewing all of the Group's accounting and financial documents, including financial communications and non-financial reporting data;
- carrying out a preliminary review of the Group's 2024 results;
- reviewing the 2024 budget and the draft 2025 budget;
- reviewing the 2024-2028 medium-term plan;
- preparing the Annual General Meeting of May 23, 2024 (appropriation of profit, draft resolutions – including the appointment of Sustainability Auditors; authorizations to increase or reduce the Company's capital and authorizations to carry out grants of free shares, with or without performance conditions; the Board of Directors' report on the draft resolutions; and review of related-party agreements that remained in force in 2024, the management report and the draft Universal Registration Document including the Annual Financial Report);
- reviewing the Group's financial communication, particularly in relation to the annual and interim financial statements and market guidance;
- reviewing the Group's non-financial communications, including its first Sustainability Statement;
- monitoring the Group's cash and liquidity position (financing, refinancing and safeguarding liquidity);
- examining the Group's risks, including non-financial risks (meeting also attended by the Risk and Insurance Director), as well as assessment methodology, changes in the risk map with focus discussions on certain specific risks (particularly cybersecurity and information systems, currency, corruption, supply chain and substance obsolescence (ReACH) risks), and the Group's insurance coverage in light of the current geopolitical context;
- analyzing a presentation given by the Group's Chief Digital and Information Officer about the progress of the cybersecurity plan;
- reviewing the framework of the EU taxonomy and a simulation of its application, with input from the Group Chief Accounting Officer who also attended the meeting;
- reviewing various service contracts and inventory management;
- reviewing the Group tax's policy, with input from the Group Chief Tax Officer who also attended the meeting;
- assessing the Group's internal control and internal audit situation (meeting attended by the Head of Audit and Internal Control), monitoring the compliance and anti-fraud system, amending the 2024 audit plan and the 2024 internal audit campaign and drawing up the 2025 audit plan;
- carrying out a preliminary review of the findings of the Group's internal controls in 2024;
- performing a review, attended by the Executive VP Sustainability, of governance, the process of drawing up and verifying sustainability information, including the double materiality assessment, and the tender process for the Sustainability Auditors to be put forward for appointment at the May 23, 2024 Annual General Meeting;
- hearing presentations attended by the Group Chief Compliance Officer on the Group's ethics and compliance system (anti-corruption system: current situation, organization and action plan following an audit), as well as on governance of the duty of care plan and duty of care roadmap in preparation for the upcoming requirements of the CS3D;
- monitoring the Statutory Auditors' independence and reviewing their audit fees, audit methods and non-audit services;
- tracking and verifying the EUR/USD exchange rate, the currency hedges in place, and the Group's investment strategy (meeting attended by the Chief Treasury and Financing Officer);
- reviewing the Group's financing;
- examining management forecasts;
- reviewing the cap on guarantees, endorsements and sureties;
- checking, authorizing and monitoring services provided by the Statutory Auditors other than certifying financial statements. The Statutory Auditors gave the Committee presentations on their work concerning the annual and interim financial statements and internal control. In addition, the Committee meets at least twice a year with the Statutory Auditors without any members of Executive Management being present.

In principle, a period of 48 hours is provided for between the Committee's examination of the annual and interim financial statements and the Board of Directors' meetings at which they are approved.

2.3.6.2 Appointments and Compensation Committee

2.3.6.2.1 Indicators

	Dec. 31, 2023	Dec. 31, 2024
Number of meetings	3	3
Average attendance rate	90%	94%
Number of members	6	6
Percentage of independent members ⁽¹⁾	80% (4 out of 6)	80% (4 out of 5)

(1) Excluding the Director representing employees.

In accordance with the Internal Rules of the Board and the Board Committees, the Appointments and Compensation Committee must have at least three members, including its Chair. The majority of the members must be independent Directors.

The Chairman of the Board of Directors is not a member of this Committee but is involved in the work it carries out in relation to nominating candidates and determining compensation. The Chief Executive Officer may also be involved in the Committee's work in relation to nominating candidates.

MEMBERSHIP STRUCTURE	At the filing date of this Universal Registration Document	Independent	Date of appointment	Expiration of term of office	Seniority as a Committee member ⁽¹⁾
	Monique Cohen, Chair	X	June 15, 2017	2026	7 years and 9 months
	Hélène Auriol Potier	X	June 15, 2017	2025	7 years and 9 months
	Patricia Bellinger	X	May 28, 2020	2028	4 years and 10 months
	Céline Fornaro (representative of the French State)		Feb. 17, 2023	2027	2 years and 1 month
	Christèle Debarenne-Fievet (Director representing employees) ⁽²⁾		Dec. 19, 2022	Nov. 19, 2027	2 years and 3 months
	Patrick Pélata	X	June 15, 2017	2025	7 years and 9 months

(1) At the filing date of this Universal Registration Document

(2) Christèle Debarenne-Fievet only attends the "compensation" part of Appointments and Compensation Committee meetings.

Appointments

The Appointments and Compensation Committee has the following roles and responsibilities with respect to appointments:

- assisting the Board of Directors in its choice of:
 - members of the Board of Directors,
 - members of the Committees of the Board of Directors, and
 - the Chief Executive Officer and, where applicable, the Deputy Chief Executive Officer(s);
- selecting potential members of the Board of Directors who meet the applicable independence criteria and submitting the list of nominees to the Board of Directors;
- preparing succession plans for the positions of Chairman, Chief Executive Officer, and, where applicable, any Deputy Chief Executive Officer(s);
- helping the Board prepare succession plans for the Group's key operations managers and support function managers.

ROLES AND RESPONSIBILITIES

Compensation

The Appointments and Compensation Committee is also responsible for making recommendations and proposals to the Board of Directors about compensation for which Directors may be eligible, such as:

- the allocation of the Directors' compensation;
- any other components of compensation, including the terms and conditions of any benefits payable at the end of their term of office, particularly conditions based on appropriate benchmarks;
- any compensation payable to any Board Advisors (censeurs);
- any amendments to pension and personal risk insurance plans;
- benefits-in-kind and various financial benefits; and
- where appropriate:
 - stock option grants, and
 - free share grants.

**MAIN WORK
CARRIED OUT
IN 2024**

More generally, the Appointments and Compensation Committee is also responsible for making recommendations to the Board of Directors relating to:

- the compensation policies for the Chairman and the Chief Executive Officer;
- the compensation policy for senior managers; and
- profit-sharing systems set up for the employees of Safran and other Group entities, including:
 - employee savings plans,
 - supplementary pension plans,
 - employee rights issues, and
 - stock option and/or free share grants and any other employee share ownership arrangements.

The Appointments and Compensation Committee also makes recommendations to the Board of Directors on any performance criteria to be applied for stock option and/or free share plans, particularly based on appropriate benchmarks.

In general, the Appointments and Compensation Committee is involved in preparing any resolutions submitted for shareholder approval at the Annual General Meeting that relate to the above topics.

In 2024, the Appointments and Compensation Committee met three times, with an average attendance rate of 94%.

Its main work carried out in 2024 concerned the following:

- reviewing the succession plans for the Chief Executive Officer and the Executive Committee members, and preparing for the expiration of the terms of office of Directors;
- reviewing and supporting changes in the membership of the Group's Executive Committee;
- reviewing the membership structure of the Board of Directors and its Committees and the process for identifying and selecting Director candidates (in view of Directors' terms of office expiring at the close of the 2024 and 2025 Annual General Meetings);
- reviewing the Directors' independence status;
- reviewing the annual assessment of the Board and its Committees;
- determining the compensation policies for the Chairman, the Chief Executive Officer and the Directors;
- determining the compensation packages of the Chairman and the Chief Executive Officer;
- reviewing the Group's policy on long-term incentive plans;
- setting up a performance share plan for certain Group managers and executives (2024 LTI Plan), and setting the underlying CSR performance criteria;
- granting existing or new shares of the Company, without consideration and without performance conditions, to employees of the Company and other Group entities (see section 8.2.2.4 of the 2023 Universal Registration Document);
- setting the Directors' compensation for 2024;
- preparing the Annual General Meeting and the Universal Registration Document (including the corporate governance report).

2.3.6.3 Innovation, Technology & Climate Committee

2.3.6.3.1 Indicators

	Dec. 31, 2023	Dec. 31, 2024
Number of meetings	3	2
Average attendance rate	94%	100%
Number of members	6	6
Percentage of independent members ⁽¹⁾	80% (4 out of 5)	80% (4 out of 5)

(1) Excluding the Director representing employees.

In accordance with the Internal Rules of the Board and its Committees, the Innovation, Technology & Climate Committee must have at least three members, including its Chair.

The Committee has six members, four of whom are independent Directors, i.e., 80% (not counting the Director representing employees).

Fully aware of the strategic importance of climate issues for the aerospace industry, at its meeting on February 24, 2021, the Board of Directors decided to:

- rename the Innovation and Technology Committee as the “Innovation, Technology & Climate Committee” and formally define its roles and responsibilities in relation to climate issues;
- appoint the Committee’s Chairman, Patrick Pélat, as the Director responsible for monitoring climate issues and define his roles and responsibilities in that capacity (see section 2.2.3).

MEMBERSHIP STRUCTURE	At the filing date of this Universal Registration Document		Date of appointment	Expiration of term of office	Seniority as a Committee member ⁽¹⁾
		Independent			
	Patrick Pélat, Chairman – Director responsible for monitoring climate issues	X	Oct. 26, 2017	2025	7 years and 5 months
	Hélène Auriol Potier	X	Oct. 26, 2017	2025	7 years and 5 months
	Fabrice Brégier	X	May 25, 2023	2027	1 year and 10 months
	Ivan Hardouin (Director representing employees)		Dec. 15, 2023	Nov. 19, 2027	1 year and 3 months
	Laurent Guillot	X	May 26, 2021	2027	3 years and 10 months
	Alexandre Lahousse (Director put forward by the French State)		July 27, 2022	2027	2 years and 8 months

(1) At the filing date of this Universal Registration Document.

ROLES AND RESPONSIBILITIES	The Innovation, Technology & Climate Committee is responsible for analyzing, examining and giving its opinion on the following matters: ■ the Group’s medium- and long-term strategic goals and choices concerning: ● innovation, research and technology, and ● developments of new products and services; ■ technological trends and developments that could affect the Group’s strategic and industrial goals and choices, as well as other players’ technological positioning and the associated risks and opportunities; ■ progress made by the Group in its main innovation and technology roadmaps; ■ the appropriateness of the organizational structures and resources in place to meet the roadmaps’ objectives over time; ■ Executive Management’s climate action plan and the related information intended for publication by the Company and in particular for presentation to the Annual General Meeting (responsibilities added following decisions taken by the Board on February 24, 2021).

In 2024, the Innovation, Technology & Climate Committee met twice, with an average attendance rate of 100%.

Its main work carried out in 2024 concerned the following:

- the Group’s climate strategy: Safran’s challenges and action plan, low-carbon project, decarbonizing the aviation sector;
- a review of the Group’s climate metrics in connection with its CSRD reporting;
- hybridization for civil aviation;
- the action plan on the non-carbon climate impacts of aviation.

2.3.7 Annual assessment of the Board of Directors' operating procedures

As recommended in the AFEP-MEDEF Code, which Safran uses as its corporate governance framework, an assessment of the Board of Directors' operating procedures must be carried out every year. The Code also recommends that a formal assessment should be carried out at least once every three years in order to review its practices, verify that key issues are properly prepared and discussed and measure the actual

contribution of each Director to the Board's work. The assessment can be carried out with the assistance of an external consultant, overseen by the Appointments and Compensation Committee or an independent Director. The most recent formal assessment took place in the third and fourth quarters of 2024.

Annual self-assessment in 2022	Annual self-assessment in 2023	Formal assessment assisted by an external consultant in 2024
At its meeting on December 19, 2022, the Board reviewed its practices. As a comprehensive formal assessment had recently been carried out (in late 2021), this self-assessment took the form of a discussion on the review of the findings of the formal assessment and the areas for improvement that were identified at the time. At the end of the assessment, the Board confirmed the positive findings expressed in the 2021 assessment on the operating procedures, membership structure and organization of the Board and its Committees (see section 6.3.7 of the 2021 Universal Registration Document), and concluded that there was no need for further observations. The Board added that it was satisfied with the actions undertaken, which it felt met the requirements for improving the points identified during the last assessment, and that it had not identified any further areas requiring improvement.	The 2023 annual assessment process was launched in October 2023 in two stages: ■ a 119-question questionnaire prepared in conjunction with the members of the Appointments and Compensation Committee, covering: ● the organization of roles between the Chairman of the Board and the Chief Executive Officer – separation of roles, ● the Board's membership structure (size, skills, profiles), ● the Board's operating procedures (content of meetings and agenda items, organization, planning, length and efficiency of meetings, time allocated to discussions, quality of debates, freedom of expression, digital platform, involvement in strategic issues and topics, good level and quality of information, taking into account suggestions, contribution to new lines of thought, quality of relations, team spirit, organization of strategic seminars, etc.), ● role and performance of the Board Committees (membership structure, work performed, etc.), ● quality of the minutes of Board meetings and Board Committee reports, ● training and onboarding of new Directors, ● personal assessment of the Board (collective performance, trends over time, implementation of recommendations); ■ individual interviews conducted by the Lead Independent Director (Chair of the Appointments and Compensation Committee), with the support of the Chairman of the Board of Directors.	As in 2021, in 2024 the Board of Directors decided to carry out its assessment with the assistance of an external consultant in order to have an outside perspective of its practices and operating procedures, including comparative analyses with the boards of other companies. A specialist firm was commissioned to carry out the assessment, which covered the effectiveness of the operating procedures of the Board and its Committees, each Director's individual input to the Board's work, and each Director's appraisal of the work of the other Board members. The consultancy firm's work therefore included: ■ an assessment of the effectiveness of the Board's operating procedures: the Directors completed a questionnaire containing questions about the operating procedures of the Board and its Committees, and the progress made since the previous year's assessment; ■ an assessment of the individual input of the Directors; ■ focused reviews of certain topics such as the Board's membership structure and succession plan, the work and reporting of the Committees, and the balance between Board work and discussion time within each meeting's allotted timeframe. The findings of the overall assessment were presented to the Appointments and Compensation Committee by its Chair / Lead Independent Director and subsequently to the Board by the Chair of this Committee and the Chairman of the Board in December 2024.
The areas for improvement identified in the 2021 assessment mainly concerned the topics below, and the actions implemented in 2022 are described hereafter:	This process led to a number of comments and suggestions, which are summarized hereafter.	The report showed that the areas for improvement identified in 2023 were taken into account and addressed in 2024. A summary of the assessment report is presented hereafter:

Annual self-assessment in 2022	Annual self-assessment in 2023	Formal assessment assisted by an external consultant in 2024
(I) Succession planning for the executive corporate officers (the Chairman and the Chief Executive Officer). This issue was dealt with by the Appointments and Compensation Committee and by the Board, with a full review of: - the various succession planning processes, including the contingency plan (annual review); and - the succession plan for the Executive Committee and the Chief Executive Officer, which is now reviewed annually. At its meeting on October 27, 2022, the Board: - decided that, at the Annual General Meeting on May 25, 2023, it would invite the shareholders to re-appoint Ross McInnes and Olivier Andriès as Directors; and - stated that it intended to re-appoint Ross McInnes and Olivier Andriès as Chairman and Chief Executive Officer respectively.	The very good points highlighted were: - the balanced relationship between the Chairman of the Board and the Chief Executive Officer; - the Chairman's leadership of the Board; - strong and diverse skills; - effective and efficient meetings; - high-quality agenda items; - transparent information; - strategy well debated and decided on within the Board; - team spirit/cordiality; - enriching and fruitful discussions and debate; - suggestions effectively taken into account.	Distinctive strengths highlighted: ■ Organization and governance The Board operates smoothly with a high level of maturity. It is clearly focused on efficiency and effectiveness and utmost quality. Regulatory aspects are dealt with efficiently, allowing the necessary time to be allotted to addressing other issues. It is clear that the governance structure based on segregation of the roles of Chairman of the Board of Directors and Chief Executive Officer has been firmly embedded within the Company for many years. ■ Preparation and coordination of meetings - The Chairman devotes a great deal of time to Board meetings, both beforehand (in particular regarding the quality of the documents provided and identifying issues to be discussed) as well as during and after the meetings (in particular through the preparation of minutes); - The preparatory documents enable the Directors to discuss issues in a fully-informed way; - Where required, Board meetings may end with an executive session, during which participants can give the Lead Independent Director suggestions for improving the Board's operating procedures or ideas for consideration; - The Board can clearly express itself and take a position on any and all issues, with all of its members able to express themselves freely, without any restrictions; - The Directors are respectful towards one another during Board discussions, and the overall atmosphere is positive and collaborative. ■ Integration by Executive Management of the Board's recommendations - Thanks to the work undertaken prior to Board meetings and the feedback received from the Directors, the documents presented to the Board are often very detailed; - Directors' views are also taken into account when drawing up meeting agendas, including the agenda for the strategy seminar, which is prepared well in advance. ■ Use of information - The Directors strictly respect their duty of confidentiality; - The Board deals with all matters within its remit; - The three Board Committees contribute to the quality of the Board's discussions and enable it to make informed decisions.

Annual self-assessment in 2022	Annual self-assessment in 2023	Formal assessment assisted by an external consultant in 2024
(ii) The existence of Directors' succession plans: • this subject was also dealt with by the Appointments and Compensation Committee and by the Board, with a full review of: – the processes for appointing and reappointing Directors, – the Board's diversity policy; and – recommendations and decisions concerning the Board's membership structure put forward to the shareholders at the 2022 Annual General Meeting and subsequent to that Meeting, at the time of resignations, Board appointments or replacements of Directors. • The Appointments and Compensation Committee and the Board reviewed the membership structure of the Board (appointments and reappointments) and the membership changes to be put forward to the shareholders at the Annual General Meeting on May 25, 2023, with a particular focus on ensuring that the Board has the range of skills and expertise it needs (aeronautics/aerospace, executive management experience, etc.; see section 6.2.6.3 of the 2022 Universal Registration Document).	The Directors' comments and observations about the Board included: <i>"Top-notch!", "The best", "One of the two best Boards I've ever sat on", "Works well despite its size", "Efficient", "High-quality Board and matters discussed."</i>	■ Membership structure of the Board of Directors • The size of the Board is above average for comparable companies, particularly given Safran's shareholding pattern. However, meetings run smoothly because discussions are effectively managed and agendas respected; • The Board has all the requisite key skills; • The Board is committed to keeping French as its working and discussion language, and given the sensitivity of defense-related information, it is careful about nationalities represented on the Board. ■ Membership structure and operating procedures of the Board Committees The three Board Committees are run efficiently and effectively and cover the topics relevant to them. Their membership structure complies with the recommendations of the AFEP-MEDEF Code (in terms of size, proportion of independent Directors, and incorporating Directors representing employees). ■ Allocation of roles and responsibilities between the Board and Executive Management The Chairman takes great care to strike the right balance between the prerogatives of the Board and those of Executive Management. The Chairman and the Chief Executive Officer coordinate between themselves on the allocation of certain activities related to external and public representation of the Group. ■ Collaborative work between the Board and Executive Management • Members of Executive Management are regularly invited to take part in the Board's work. For example, the Chief Executive Officer presents a business review at the start of each meeting, the Chief Financial Officer and the Corporate Secretary attend Board meetings, one of the CEOs of the subsidiaries gives a presentation, and heads of departments take part in the work of the Board Committees (HR, Finance, R&D, Sustainable Development) as well as in the preparatory work for the strategy seminars; • The Board expects the documents prepared for its attention to be of a very high standard, with notes provided to support presentations; this means that members of Executive Management have to provide precise, high quality information. This allows Directors to efficiently discuss the topics presented; • Directors draw on their skills and experience during meetings to challenge strategy and even organizational issues (e.g., real estate, inventory management, digital technologies, etc.), which builds both stimulating and supportive relations between the Board and Executive Management. ■ Consideration of environmental matters in the ESG topics addressed by the Committees The "Social" and "Governance" dimensions of ESG are covered by the Appointments and Compensation Committee, and the "Environmental" aspect is dealt with by the Innovation, Technology & Climate Committee. The Audit and Risk Committee is responsible for issues related to the CSRD, including the double materiality assessment.

Annual self-assessment in 2022	Annual self-assessment in 2023	Formal assessment assisted by an external consultant in 2024
(iii) Size of the Board: - the size of the Board was reduced from 18 to 17 members at the close of the 2022 Annual General Meeting, following the expiration of Didier Domange's term of office; - when Sophie Zurquiyah stepped down as independent Director, based on the recommendation of the Appointments and Compensation Committee, the Board decided to defer the decision on her replacement, and the number of Directors has therefore been reduced to 16.	The following areas for improvement were identified: - devote even more time to discussions instead of oral presentations; - devote more time to the Committee reports; - organize even more meetings with in-house teams, in addition to strategy seminar meetings and presentations; - provide more information on major social issues; - thought to be given to the Board's membership structure: size and profiles; - suggestions about strategy; - Directors' training.	Potential areas for improvement: Addressing strategic issues The Board unanimously agreed that it is neither necessary nor desirable to set up a dedicated strategy committee and that strategy is a matter for all of the Directors. Where necessary, special temporary committees are set up (for certain acquisitions for example). Input at Board meetings - The input provided by members of Executive Management at Board Meetings is of high quality. However, regularly inviting people from outside the Group could be beneficial to the Board as it would bring different viewpoints. - The meetings' agendas are always full, and it is important to continue to keep time aside for discussion. This requires substantial preparatory work ahead of the meetings. Board dynamics Some Directors recommended that more time be set aside for informal discussions between the Board and members of Executive Management.
(iv) More monitoring of key strategic areas, such as CSR (including HR aspects) and digital transformation: - the Board of Directors reviewed the ordinary business scheduled to be discussed in standard agendas of upcoming Board and Committee meetings, in order to incorporate CSR issues. Following this review, the Board noted that CSR issues are suitably taken into account and dealt with and that its expectations have been met in this regard, with no further specific action required; - the overall CSR strategy was presented at the Board meeting held in March 2022; - the Climate Plan was also presented at the same Board meeting, as well as at the 2022 Annual General Meeting. The Climate Plan is also monitored at each meeting of the Innovation, Technology & Climate Committee; - the Digital Plan was presented at the strategy seminar in 2022. The progress of this plan is being tracked by the Audit and Risk Committee; - CSR issues and topics are now integrated into compensation systems and policies. In particular, they are included in the Chief Executive Officer's variable compensation objectives and the underlying performance conditions of the long-term incentive plans.		Membership structure of the Board of Directors Changes in membership: The Appointments and Compensation Committee will need to be closely attentive to the impacts of the expiration of Directors' terms of office in 2025, 2026 (including the term of office of Monique Cohen, see section 2.4) and 2027. Nationality: Safran is a multinational group with international exposure. Most of the Directors consider that other non-French but French-speaking Board members are needed. The choice of French as the Board's working language is acknowledged and adopted by the Directors. Ability to challenge Executive Management: The ability to challenge Executive Management, while at the same time being supportive of it, needs to remain one of the search criteria when recruiting new Directors. Information shared by Management: The Board would like to have more feedback from Management and to more closely monitor the competitive environment.

2.4 Application of the AFEP-MEDEF Corporate Governance Code

Safran uses the AFEP-MEDEF Corporate Governance Code (the "AFEP-MEDEF Code") as its corporate governance framework (see the "Corporate Governance Code framework" section of this Universal Registration Document).

Certain recommendations of the Code, or guidelines adopted subsequently for its application, have not been implemented, the reasons for which are given in the following table.

AFEP-MEDEF Code recommendations	Safran practices – Reasons
Article 19.1. Chairmanship of the Appointments and Compensation Committee It is recommended that the chair of a company's compensation committee should be an independent Director.	Monique Cohen will cease to meet the independence criterion related to duration of term of office (maximum of 12 years) on May 28, 2025, i.e., one year before the end of her current term of office, which is due to expire at the close of the 2026 Annual General Meeting. She will no longer qualify as an independent Director as from that date. However, based on the recommendation of the Appointments and Compensation Committee, the Board decided (without Monique Cohen taking part in the related discussion or vote) that it wished to continue to benefit from her expertise for the ongoing work of the Appointments and Compensation Committee and has therefore already decided that she should remain in her role as Chair of this committee until the 2026 Annual General Meeting, in order to allow for the time required to organize her succession as the Committee's Chair.
Article 21. Termination of employment contract in the event of appointment as a corporate officer When an employee is appointed Chair and/or Chief Executive Officer, it is recommended that his or her employment contract with the Company or any other Group company be terminated. This recommendation applies to the Chair of the Board of Directors and the Chief Executive Officer of companies that have a Board of Directors.	Olivier Andriès' employment contract was suspended when he became Chief Executive Officer on January 1, 2021. The Group has chosen to suspend, rather than terminate, employment contracts due to the fact that terminating an employment contract could deter Group employees from moving into top executive positions on account of the rights they could lose upon such termination (depending on their age and length of service with the Group). This is in line with the Group's policy of favoring internal promotion of talent wherever possible, which enables it to propose corporate officers' positions to its senior managers who have the highest level of know-how, share and relay the Group's culture and values, and have an in-depth knowledge of its markets.
Article 22. Requirement to hold shares The Board of Directors should set a minimum number of shares that the Chair and/or the Chief Executive Officer are required to hold as registered shares until the end of their term of office.	In accordance with Article 11.1 of the Board's Internal Rules, this minimum shareholding requirement is considered satisfied when the corporate officer concerned holds units in corporate mutual funds that are invested in Safran shares, provided the number of units held in such funds represents at least 500 shares. Article 11.2 of the Internal Rules states that if stock options or performance shares are granted to the Chairman and/or the Chief Executive Officer, they must keep a significant proportion of the vested shares in registered form until their duties as a corporate officer cease. The applicable proportion is set by the Board of Directors. The Chairman of the Board of Directors was previously a Group employee. Consequently, in his capacity as an employee, he acquired units – and/or invested his profit-sharing bonuses – in corporate mutual funds invested in Safran shares. The Chairman supplemented these investments by participating in the Safran Sharing 2014 offer (see sections 5.3.4, 6.3 and 7.3.7.2 of the 2014 Registration Document). In 2020, he also purchased shares under a life insurance policy (whereby the insurer retains ownership of the shares and the insured party is owed the related amount by the insurer) (see section 6.5.3 of the 2020 Universal Registration Document).

2.5 DIRECTORS' INTERESTS IN THE COMPANY'S SHARE CAPITAL

2.5.1 Compulsory shareholdings

In accordance with Article 14.5 of the Company's bylaws, each Director – other than the representative of the French State and the Directors put forward by the French State in accordance with Articles 4 and 6 of the *ordonnance* dated August 20, 2014, Directors representing employee shareholders and Directors representing employees – is required to own a certain number of Safran shares, in accordance with the terms and conditions set down in the Board of Directors' Internal Rules. Article 11.1 of the Board's Internal Rules states that this minimum number of shares corresponds to 500 and that the minimum shareholding obligation can be met through units held in Group corporate mutual funds (FCPE) invested in Safran shares, provided that the number of units held is equivalent to at least 500 shares.

At its meeting on March 20, 2025, the Board of Directors decided to amend the Board's Internal Rules relating to the obligation for new Directors to purchase Safran shares in order to enable them to purchase the shares in one or more tranches as follows: 200 shares to be purchased no later than seven days after their appointment as a Director, and the remaining 300 shares (to reach the minimum shareholding of 500 shares) to be purchased no later than December 31 of the year in which they are appointed as a Director.

Article 14.8 of the bylaws and Article 11.1 of the Board's Internal Rules specify that each Director representing employee shareholders is required to hold – either individually or through a corporate mutual fund set up as part of the Group's employee share ownership plan and invested in Safran shares – at least one share or a number of units in the fund equivalent to at least one share.

2.5.2 Code of Ethics

Safran has a Code of Ethics relating to share transactions and the prevention of insider trading, which was drawn up in compliance with the recommendations published by the French financial markets authority (Autorité des marchés financiers – AMF) and was initially adopted by the Board of Directors on July 27, 2011. The Code – which is in question-and-answer form – sets out the obligations of Group employees and corporate officers and Directors, the specific measures taken by Safran to prevent insider trading, and the penalties for any failure to fulfill the stated obligations.

The Code also specifies the “black-out period” (preceding the publication of annual and interim results and quarterly revenue figures) during which corporate officers and other insiders must refrain from carrying out transactions in Safran shares.

As well as respecting the obligations in the Code of Ethics, corporate officers and other senior managers are also required to comply with the additional rules set out in an Amendment to the Code, which among other things prohibit speculative trading in Safran shares and state the applicable disclosure requirements in the event that such officers or managers carry out any transactions in Safran shares.

Both the Code and its Amendment are regularly updated in line with legislative and regulatory changes and the AMF's guidelines. They were last amended in January 2023 for the purpose of adding a table summarizing the main requirements set out in the Code, as well as additional and/or practical details on specific restrictions applicable to holding shares issued under free share plans, performance share plans, long-term incentive plans and stock option plans, as well as restrictions concerning investments of profit-sharing amounts and units held in corporate mutual funds invested in Safran shares.

All of Safran's corporate officers and other Group insiders receive a copy of the Code of Ethics and its Amendment and are informed of the black-out periods that are determined in line with the annual financial calendar.

In order to provide information on the Code of Ethics and its Amendment to all employees, an internal procedure based on these documents has been drawn up and posted on the Group's intranet, which is accessible to all employees in France and in most of the other countries where Safran operates. The black-out periods are appended to this procedure as they are set.

2.5.3 Transactions in the Company's shares carried out by corporate officers and senior managers

In accordance with the applicable regulations, when the aggregate amount of transactions carried out by any corporate officer or senior manager exceeded €20,000 in 2024, the person concerned disclosed the corresponding transaction(s).

The transactions in Safran shares and related financial instruments carried out in 2024 by the Company's corporate officers and senior managers and persons having close personal links with them – as defined in paragraphs a) to c) of Article L.621-18-2 of the French Monetary and Financial Code (Code monétaire et financier) – which exceeded the above thresholds and of which the Company is aware, were as follows:

Name	Purchase of shares	Sale of shares	Delivery of shares under free share plans ⁽¹⁾	Purchase of units in Group corporate mutual funds invested in Safran shares ⁽²⁾	Buybacks of units in Group corporate mutual funds invested in Safran shares ⁽³⁾
	(total number of shares)	(total number of shares)		(total number of shares corresponding to mutual fund units purchased)	(total number of shares corresponding to mutual fund units purchased)
Jean-Paul Alary	-	-	3,545	30.82	-
Olivier Andriès	-	-	8,692	94.32	-
Marc Aubry	-	-	-	15.12	-
Pascal Bantegnie	-	-	1,373	131.52	-
Karine Stamens	-	2,095	961	77.15	-

(1) Delivery of performance shares under the 2021 Long-Term Incentive Plan.

(2) Investment of discretionary and statutory profit-share, and where applicable the Company contribution in the Group employee savings plan – Automatic reinvestment in the plan of dividends attached to shares invested in the plan.

(3) Withdrawal of savings invested in Group corporate mutual funds invested in Safran shares.

2.6 COMPENSATION POLICIES AND COMPENSATION PACKAGES FOR CORPORATE OFFICERS

2.6.1 General principles

In the best interests of the Company as well as its shareholders, employees and other stakeholders, the compensation policies for corporate officers must be competitive in order to attract, motivate and retain the best profiles and talent (which may come from within or outside the Group) for key positions.

The compensation policies for the Chairman of the Board of Directors and the Chief Executive Officer are defined by the Board of Directors and reviewed annually based on recommendations issued by the Appointments and Compensation Committee.

The main principles applied are detailed below.

a) Compliance

The policies are defined based on the guidelines in the AFEF-MEDEF Code, which recommends applying the principles of comprehensiveness, balance, comparability, consistency, transparency and proportionality.

b) Comprehensiveness – Balance

All components of compensation and benefits should be exhaustively analyzed on a component-by-component basis and an overall consistency analysis should then be performed to achieve the best balance between these components.

c) Alignment of interests – Transparency

Compensation and benefits packages need to take into account the necessity for companies to attract, motivate and retain talent but also the interests of shareholders and other stakeholders, particularly in relation to transparency and performance criteria.

d) Attractive, proportional, comparable and competitive packages

Compensation levels should be set in line with the duties and responsibilities assigned to the officer concerned as well as the work performed and the results achieved.

Market practices should also be taken into account.

Safran regularly carries out benchmark surveys, assisted by consulting firms, in order to measure the levels and structures of its compensation packages compared with panels of peer companies selected for their size and international scope. The surveys are performed both for the French market, in which case the peer companies comprise large industrial groups, and for the international market (the Aerospace, Technology and Defense sectors). The composition of these panels is regularly reviewed by the Appointments and Compensation Committee.

Work on drawing up the compensation policies may include considerations such as a policy's structure and components for certain categories of the Company's personnel and specific provisions for particular employee categories (such as discretionary or statutory profit-sharing, or pension arrangements), as well as information about compensation multiples (ratio between the compensation of the Chairman and the Chief Executive Officer and that of employees).

The above-mentioned benchmark surveys are used as the basis for analyzing, and making any changes to, the components of the compensation and benefits of the Chairman and the Chief Executive Officer.

e) Compensation for the performance of executive management duties

In the compensation policies for the Company's executives, a substantial proportion of the compensation is variable, directly linked to the Group's performance. The performance conditions underlying the annual variable compensation and long-term incentive plans are demanding and aligned with Safran's overall strategy and the interests of its shareholders.

f) Governance

The compensation policies for corporate officers are defined by the Board of Directors, based on recommendations issued by the Appointments and Compensation Committee, and are then proposed to the shareholders at the Annual General Meeting.

The Appointments and Compensation Committee verifies that all of the principles described above are properly applied, both for the purpose of the Committee's work in general and for the recommendations it makes to the Board in relation to defining the policies and implementing them for setting the amounts or values of compensation and benefits packages.

This process ensures that the policies (i) are aligned with the Company's best interests, (ii) are consistent with its overall strategy (in particular its business strategy, by applying exacting performance criteria for the corporate officers concerned that are closely linked to the Group's performance and objectives), and (iii) help to ensure the Company's long-term development.

The Chairman and the Chief Executive Officer do not take part in any discussions or votes on the policies concerning themselves, which therefore avoids any conflicts of interest.

g) Consistency

The Chief Executive Officer's compensation policy and the compensation mechanisms and amounts awarded to him are set in line with the policies, mechanisms and amounts awarded to the Group's other senior executives.

The Chief Executive Officer's compensation package is drawn up strictly in accordance with the principles and objectives used for establishing his compensation policy.

The components of the Chief Executive Officer's compensation comprise:

- fixed compensation;
- annual variable compensation;
- a long-term incentive plan with the use of stock option and/or performance share plans with underlying conditions related to performance and continuing service.

The performance criteria are a means for ensuring the Group's strategy is implemented and are based on the Group's financial and operating results, as well as criteria related to Safran's corporate social responsibility.

The above principles and objectives apply to the compensation structure of all the Group's personnel.

Each senior executive's compensation comprises a fixed component and short- and long-term variable components. The short- and long-term variable components remunerate individual and collective performance (financial and societal).

Each person is allocated one or more of these components depending on their level of responsibility, skills and performance within the Group.

COMPENSATION PACKAGE OBJECTIVES AND STRUCTURE



* TSR: Total Shareholder Return

2.6.2 Compensation policies for corporate officers – 2025

This section constitutes the report on the compensation policies for corporate officers that is required by French law to be included in the corporate governance report. It was prepared by the Board of Directors with the assistance of the Appointments and Compensation Committee.

In compliance with Article L.22-10-8 of the French Commercial Code, the Board of Directors determines the compensation policies for the corporate officers, which notably describe the

principles and criteria used to set, allocate and award the fixed, variable and exceptional components of their total compensation and benefits. The policies, both in nature and substance, comprise components that are specific to each policy, differing according to the category of corporate officer concerned, i.e., the Chairman, the Chief Executive Officer or the Directors. The policies are submitted for shareholders' approval each year at the Annual General Meeting.

In compliance with the applicable regulations concerning the compensation of corporate officers of listed companies⁽¹⁾, the compensation policies describe:

- the principles and rules for determining the compensation and benefits for all corporate officers;
- the specific compensation policy for the Chairman of the Board of Directors, to which no changes have been made compared with the policy approved at the last Annual General Meeting (see section 2.6.2.1);

- the specific compensation policy for the Chief Executive Officer, to which no changes have been made compared with the policy approved at the last Annual General Meeting and which may be adapted and applied to any Deputy Chief Executive Officer(s) when appropriate (see section 2.6.2.2.o);
- the specific compensation policy for the Directors, to which no changes have been made compared with the policy approved at the last Annual General Meeting (see section 2.6.2.3);
- any major changes compared with the compensation policies approved at the May 23, 2024 Annual General Meeting.

Shareholder dialogue

As part of its dialogue with shareholders, prior to the Annual General Meeting and throughout the course of the year, Safran holds meetings with investors and proxy advisors on topics related to governance and executive compensation. Each year, the Group factors in the feedback from these meetings when drawing up the executive compensation policy.

The feedback from the meetings organized in 2024 was taken into account when preparing the resolutions to be submitted for shareholders' approval at the Annual General Meeting of May 22, 2025.

Thanks to the high quality of shareholder dialogue (with feedback on this quality being relayed to the Appointments and Compensation Committee), the shareholders have regularly voted in favor of the compensation policies and Say-on-Pay resolutions proposed at the Annual General Meetings as well as the clarifications provided for certain compensation components and the information contained in the compensation policies and the compensation report.

Voting results

Resolution	Approval rate – 2023 AGM	Approval rate – 2024 AGO
Say-on-Pay (ex-post) – Chairman	99.78%	99.92%
Say-on-Pay (ex-post) – Chief Executive Officer	99.86%	99.48%
Information disclosed in accordance with Article L.22-10-9 I of the French Commercial Code	99.61%	99.43%
Compensation policy for the Chairman of the Board of Directors	99.77%	77.04%
Compensation policy for the Chief Executive Officer	96.48%	98.12%
Compensation policy for the Directors	99.81%	99.90%

Explanations from the Company about resolutions with an approval rate of less than 80% at the May 23, 2024 Annual General Meeting

At the May 23, 2024 Annual General Meeting, 77.04% of the shareholders voted in favor of the thirteenth resolution on the compensation policy for the Chairman of the Board of Directors – a percentage that was well in excess of the majority of the votes of the shareholders present or represented that is required by law and the Company's bylaws.

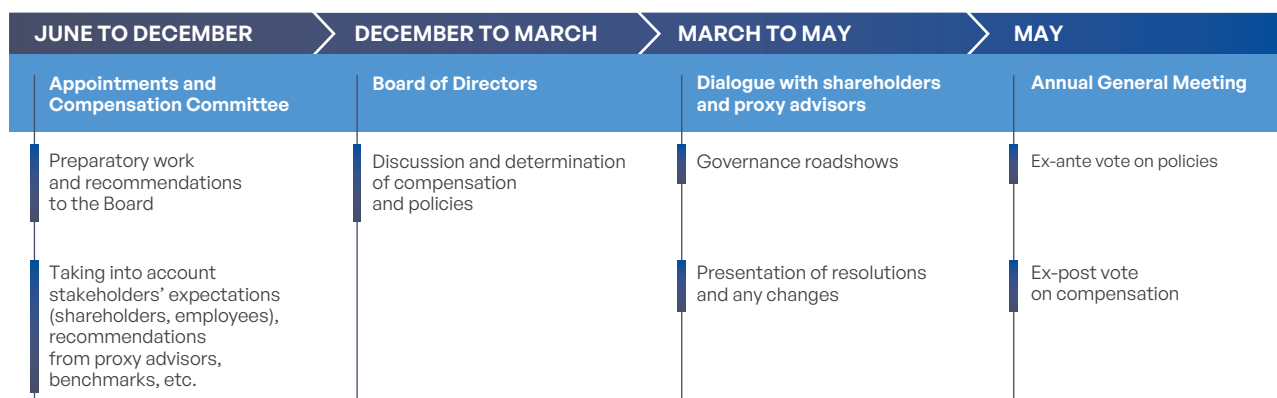
The Board of Directors noted that the approval rate for this resolution was largely attributable to the negative vote of the French State, which, in line with its voting guidelines, systematically votes against resolutions providing for annual fixed compensation in excess of €450,000 for chairpersons of companies in which the French State is a shareholder. Excluding the vote of the French State, the other dissenting votes corresponded to less than 1%, giving an approval rate of over 99%.

At the time, the Board of Directors explained, as required, why it was proposing to increase the Chairman's fixed compensation from €450,000 to €500,000, as set out in section 6.6.2.1 of the 2023 Universal Registration Document, giving the following reasons:

- the Chairman's fixed compensation had not been increased since 2018;
- the update to the benchmark analysis of the compensation of non-executive chairs of corporate boards showed that the Chairman's fixed compensation was well below the €642,500 median compensation of the CAC 40 panel used (€903,600 on average);
- the reappointment of the Chairman at the Annual General Meeting of May 25, 2023 (with 95.78% of the shareholders voting in favor);
- the Chairman's high-level performance in carrying out his role.

(1) Articles R.22-10-14 and D.22-10-16 of the French Commercial Code.

Process for drawing up compensation policies



Changes in the Chief Executive Officer's compensation policy for 2025 as compared with the policy approved at the May 23, 2024 Annual General Meeting

No changes have been made since the shareholders' last Say-on-Pay vote in 2024.

2.6.2.1 Compensation policy for the Chairman of the Board of Directors

At the date of this Universal Registration Document, this policy solely concerns Ross McInnes in his role as Chairman of the Board of Directors.

a) Compensation package structure

The structure of the compensation package of the Chairman of the Board of Directors (who is a non-executive Director) comprises, on a recurring basis, annual fixed compensation which is paid in cash. He is not allocated any compensation in his capacity as a Director.

The Chairman of the Board of Directors does not receive any annual or multi-annual variable compensation and is not a beneficiary of any long-term incentive plans. The Chairman is covered by the supplementary pension schemes and personal risk insurance plan implemented by the Group.

The compensation and benefits awarded to the Chairman of the Board of Directors or for which he is eligible are described below.

b) Annual fixed compensation

The Chairman of the Board's annual fixed compensation takes into account the responsibilities required for this type of corporate office as well as the individual qualities of the holder of the position and the benchmark surveys carried out by the Company.

Consequently, it is set based on the following:

- the Chairman of the Board's roles and responsibilities, which are provided for by law, Safran's bylaws and the Board of Directors' Internal Rules, and are aimed at ensuring that the Company is governed effectively and that its various governing bodies (Board of Directors and the Board Committees and Shareholders' Meetings) operate properly;
- any specific assignments allocated to the Chairman by the Board of Directors and which he carries out in cooperation with Executive Management;
- the Chief Executive Officer's individual skills, experience, expertise and background;
- benchmark surveys related to compensation payable for comparable duties and companies.

The Board of Directors has decided that, as a general rule, the Chief Executive Officer's annual fixed compensation may only be revised on the expiration of his term of office.

However, as an exception to this rule, his compensation may be revised during his term and before his reappointment if the scope of his duties as Chairman of the Board changes significantly – which could be related to changes within the Company itself – or if a major difference is identified compared with market practices (which can happen if the compensation has not been revised for some time). Any adjustments made to his annual fixed compensation as a result of any specific circumstances, as well as the reasons for such adjustments, would be publicly disclosed.

c) Directors' compensation

Irrespective of whether or not the role of Chairman is separate from that of Chief Executive Officer, the Chairman is not entitled to receive any compensation in his capacity as a Director (formerly "attendance fees"). He is therefore not included in the allocation of Directors' compensation carried out in accordance with the rules provided for in the compensation policy for Directors (see section 2.6.2.3).

d) No annual variable compensation, multi-year variable compensation or long-term incentive plan

In line with his position as a non-executive Director, the Chairman of the Board of Directors does not receive any annual short-term variable compensation (cash-settled) or any multi-year variable compensation, and neither is he a beneficiary of any long-term compensation plans.

e) Exceptional compensation

The Board of Directors has decided against including an exceptional component in the compensation policy for the Chairman.

f) Benefits-in-kind

The Chairman of the Board of Directors has the use of a company car.

He is also entitled to be reimbursed for expenses incurred in connection with his role as Chairman and he is provided with the material resources required for performing his duties.

g) Supplementary pension plans

Safran's policy is to align the post-employment benefits of the Chairman and the Chief Executive Officer with those of the Group's managerial-grade staff. This is in line with Safran's internal promotion policy built on helping in-house executives with considerable experience and expertise, often acquired during many years of service with the Group, to move seamlessly into corporate officer positions and to grant corporate officers similar entitlements to those of the plans' other beneficiaries.

No specific supplementary pension system has been put in place for the Chairman of the Board of Directors.

However, the Chairman may be a beneficiary of the supplementary pension plans set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries, if the Board of Directors:

- authorizes the Chairman to join the plans; or
- authorizes him to continue to be a beneficiary if he was already a beneficiary prior to his appointment as Chairman.

At its meeting on February 16, 2023, as part of the process of reappointing the Chairman of the Board, the Board of Directors maintained the decision it took at the time of his initial appointment to authorize him to continue to be a beneficiary of the plans and benefits described below. In accordance with the law that was applicable before the Pacte Act⁽¹⁾ came into force in France on May 22, 2019, a number of the plans presented below for which the current Chairman of the Board of Directors is eligible had already been submitted for shareholders' approval by way of the special vote required for related-party commitments, in order to authorize him to continue to be eligible for the plans for which he was previously eligible prior to his appointment as Chairman.

The pension plans of which the Chairman is a beneficiary, and of which the Group's managerial-grade staff in France are also beneficiaries, are as follows:

Defined contribution plans – Mandatory retirement savings plans (PERO)

Two "Article 83" defined contribution supplementary pension plans (Core Plan and Additional Plan) were in force for the Group's engineers and managerial-grade staff (see section 6.6.1.3 of 2020 Universal Registration Document).

These plans were replaced as of January 1, 2022 by mandatory retirement savings plans (plan d'épargne retraite obligatoire – PERO), with no change to the contributions paid by Safran, which remain unchanged from those paid under the Article 83 plans:

- the "PERO – Core Plan", which is financed through employer contributions equal to 1.5% of salary Tranche 1, 4% of Tranche 2 and no contributions on Tranche 3⁽²⁾. The "PERO – Core Plan" contributions are based on the compensation subject to social security contributions that the Chairman receives in his capacity as Chairman of the Board of Directors;

- the "PERO – Additional Plan", which provides for contribution rates of 6.5% on Tranche 1 and 4% on Tranche 2. The "PERO – Additional Plan" contributions are based on the compensation subject to social security contributions that the Chairman receives in his capacity as Chairman of the Board of Directors, capped at eight times the annual social security ceiling (PASS).

The Chairman is eligible for these plans under the same terms and conditions as the Group's managerial-grade staff who are beneficiaries of the plans.

Information on the expenses recognized for 2024 by the Company in relation to the PERO plans of which the Chairman is a beneficiary, as well as the estimated theoretical amount⁽³⁾ at December 31, 2024 of the annuity that could be paid to him under those plans, are disclosed in section 2.6.3.1.d.

"Article 82" defined contribution plan

The Chairman is a beneficiary of Safran's defined contribution supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 82 of the French Tax Code (the "Article 82 Plan"), subject to the same terms and conditions as the other plan beneficiaries.

The contributions to the plan are based on the fixed compensation that Ross McInnes receives for his role as Chairman of the Board of Directors. In view of his status as Chairman, the plan does not have any underlying performance conditions, meaning that his compensation is not linked to the Company's performance, in compliance with the requirement in the AFEF-MEDEF Code for non-executive officers.

The Article 82 Plan was put in place to compensate for the closure of Safran's Article 39 defined benefit plan as from January 1, 2017 (see below). Unlike the Article 39 defined benefit plan, the Article 82 Plan does not provide a guaranteed level of retirement benefits. It is a voluntary plan which eligible beneficiaries can decide whether or not to sign up to.

Eligible beneficiaries correspond to top executives (hors statut) whose reference compensation (fixed compensation and annual bonus) for the calendar year preceding the assessment date (Y-1) is equal to or higher than seven times the social security ceiling (PASS) for Y-1. The reference compensation for Y-1 is used to calculate the contributions to the plan. This reference compensation corresponds to the beneficiary's full-time basic fixed compensation plus the short-term bonus for the year concerned and excludes any other components of compensation.

In order for entitlements to accrue under the plan, the Company is required to:

- pay monthly contributions to an insurer, the rate of which is set based on the beneficiary's reference compensation for year Y-1 (Insurer Contribution) and which may represent up to 12.735% of that reference compensation; and
- pay a cash amount to the beneficiary corresponding to the Insurer Contribution (Additional Payment) so that the beneficiary can pay the applicable tax (the plan provides for up-front taxation so that the capital accrued and received on the beneficiaries' retirement is net of tax and social security contributions).

The above payments are borne in full by the Company and are subject to social security contributions in the same way as salaries.

(1) French law no. 2019-486 of May 22, 2019 that notably introduced changes to defined contribution supplementary pension plans.

(2) To calculate the amount of pension contributions, the pension funds divide gross annual salary into two tranches: Tranche 1 and Tranche 2. The portion of salary attributed to each tranche determines the amount of the contributions. Tranche 1 corresponds to the portion of salary below the social security ceiling. Tranche 2 corresponds to the portion of salary between one and eight times the social security ceiling.

(3) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions.

Information on the expenses recognized for 2024 by the Company in relation to the Article 82 plan of which the Chairman is a beneficiary, as well as the estimated theoretical amount⁽¹⁾ at December 31, 2024 of the annuity that could be paid to him under that plan, are disclosed in section 2.6.3.1.d.

“Article 39” defined benefit plan (closed to new entrants and entitlements frozen)

The Chairman was previously a beneficiary of Safran’s defined benefit supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 39⁽²⁾ of the French Tax Code (the “Article 39 Plan”), subject to the same terms and conditions as the other plan beneficiaries. Ross McInnes was originally a beneficiary of this plan in his former capacity as Deputy Chief Executive Officer. The commitment given by the Company to enable Ross McInnes to continue to be a beneficiary of this plan was approved at the Annual General Meeting of May 19, 2016.

This plan was closed to new entrants and existing entitlements frozen as from December 31, 2016. The Article 82 defined contribution plan described above was set up to compensate for this closure.

However, as decided by the Board at its meeting on March 23, 2017, the Chairman could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met, it being specified that:

- the reference compensation used to calculate the conditional entitlements will be calculated based on the average of beneficiaries’ gross fixed and variable compensation for the years 2014 to 2016 (revalued annually using the actuarial assumptions applied to calculate retirement benefit provisions);
- the seniority taken into account for the plan – which represents an additional 1.8% of the reference compensation per year of service, capped at 18% – will have a cut-off date of December 31, 2016 and no additional conditional entitlements will be accrued under the plan for any service after that date. Consequently the seniority taken into account for the Chairman will correspond to 14%;
- the overall replacement rate may not exceed 35% of the reference compensation;

- the supplementary pension annuity is capped at three times the annual social security ceiling (PASS) in force at the date that the general social security retirement pension is paid (the value of the PASS in 2025 is €47,100, compared with €46,368 in 2024);
- the payment of the supplementary pension annuity is subject to beneficiaries completing their careers with the Group and being entitled to retire under French social security rules having completed the required number of working years.

For information purposes, the estimated theoretical amount⁽³⁾ at December 31, 2024 of the annuity that could be paid to the Chairman under the frozen Article 39 plan is provided in section 2.6.3.1.d.

h) Personal risk insurance plan

The Chairman of the Board of Directors is a beneficiary of the personal risk insurance plan set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries.

The contributions to this plan are based on the compensation subject to social security contributions that Ross McInnes receives for his role as Chairman of the Board of Directors.

Information on the expenses recognized for 2024 by the Company in relation to the personal risk insurance plan of which the Chairman is a beneficiary is disclosed in section 2.6.3.1.c.

i) Termination of employment contract

The Chairman’s employment contract was terminated, with his agreement, when his term of office as Chairman was renewed on May 23, 2019. He did not receive any severance pay or other specific benefits on the termination of his employment contract. At that date, he lost the entitlements to severance pay and retirement bonuses associated with his employment contract (see section 6.6.2.1 of the 2018 Registration Document).

j) Indemnities or benefits payable for termination of office, change in duties or non-compete agreements

The Chairman of the Board of Directors is not eligible for any indemnities or benefits if his office is terminated or if there is a change in his duties. Similarly, he is not entitled to any non-compete indemnity.

2.6.2.2 Compensation policy for the Chief Executive Officer⁽⁴⁾

At the date of this Universal Registration Document, this policy solely concerns Olivier Andriès, who has been the Group’s Chief Executive Officer since January 1, 2021.

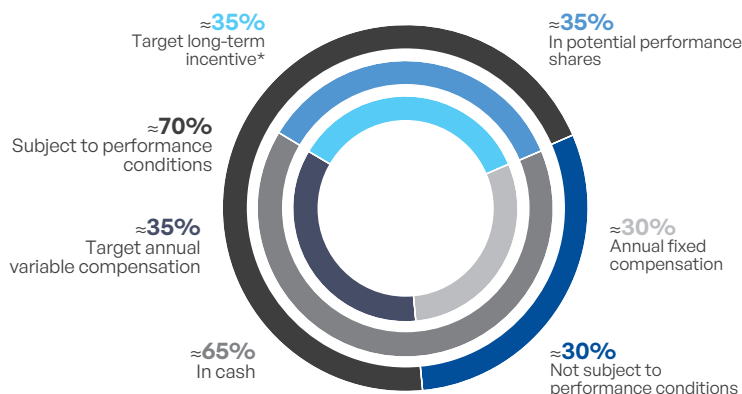
a) Compensation package structure

The structure of the Chief Executive Officer’s compensation package comprises, on a recurring basis, annual fixed compensation (cash-settled), as well as annual variable compensation and performance shares granted under a long-term incentive plan. This structure is applied to all of the Company’s senior executives, adapted to each individual.

The underlying aim is to closely align the Company’s interests with those of its shareholders by achieving a balance between short-term and long-term performance, as assessed by the Board of Directors. Compensation subject to performance conditions accounts for the largest proportion of the Chief Executive Officer’s overall compensation package.

(1) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions.
 (2) Defined benefit plan meeting the conditions set out in Article L.137-II of the French Social Security Code.
 (3) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions.
 (4) ESRs 2 GOV 3 - Integration of sustainability-related performance in incentive schemes.

PRESENTATION OF THE CHIEF EXECUTIVE OFFICER'S RECURRING COMPENSATION STRUCTURE



* Value at grant date in accordance with IFRS.

The compensation and benefits awarded to the Chief Executive Officer or for which he is eligible are detailed below.

b) Annual fixed compensation

The Chief Executive Officer's annual fixed compensation takes into account the responsibilities required for this type of corporate office as well as the individual qualities of the holder of the position and the benchmark surveys carried out by the Company.

Consequently, it is set based on the following:

- the level and complexity of the assignments and responsibilities related to the position, in view of the fact that the Chief Executive Officer has the broadest powers to act in all circumstances in the Company's name and to represent the Company in its dealings with third parties;
- the Chief Executive Officer's individual skills, experience, expertise and background;
- benchmark surveys related to compensation payable for comparable duties and companies. The panel used for the Chief Executive Officer's fixed compensation comprised some 20 companies from the industrial sector (including aeronautics), most of whom were CAC 40 companies with an international operating presence (see section 2.6.3.2).

The Board of Directors has decided that, as a general rule, the Chief Executive Officer's annual fixed compensation may only be revised on the expiration of his term of office.

However, the Board may opt to increase his fixed compensation on an annual basis, provided that such increase is moderate and consistent with the increases in fixed compensation applied for other Safran Group senior executives in France.

Moreover, his compensation may also be revised during his term and before his reappointment if the scope of his duties as Chief Executive Officer changes significantly – which could be related to changes within the Company itself – or if a major difference is identified compared with market practices (which can happen if the compensation has not been revised for some time). Any adjustments made to his annual fixed compensation as a result of any specific circumstances, as well as the reasons for such adjustments, would be publicly disclosed.

The Chief Executive Officer's annual fixed compensation is used as a reference for determining the target and maximum percentages of his annual variable compensation and the long-term incentive plan.

c) Annual variable compensation

1. Objectives of and principles used to determine the Chief Executive Officer's annual variable compensation

The principle of annual variable compensation is used to incentivize the Chief Executive Officer to achieve the annual performance targets that are set for him by the Board of Directors in line with Safran's overall business strategy.

The potential amount of this variable compensation is determined taking into account market practices and corresponds to a percentage of his fixed compensation, as recommended in the AFEP-MEDEF Code.

It is contingent on achieving pre-defined performance levels based on a number of objectives which are collective and individual, financial and non-financial and quantitative and qualitative. The objectives relate to key indicators that reflect the Group's overall performance as well as the contribution expected from the Chief Executive Officer, in line with Safran's overall business strategy.

During the first quarter of each year, acting on the recommendations of the Appointments and Compensation Committee, the Board of Directors either confirms or sets these objectives as well as their weighting and the applicable performance levels, i.e.:

- the lowest performance level, under which no variable compensation is paid;
- the target level, corresponding to when an objective is reached; and
- the maximum level applicable if an objective is exceeded.

The quantitative financial performance objectives – which are based on financial indicators – are set precisely, by reference to the budget approved in advance by the Board of Directors (as adjusted, if necessary, to take into account exceptional circumstances or events), and are subject to the performance thresholds set out below.

The achievement rates of the performance objectives are assessed by the Board of Directors, based on the review and recommendations of the Appointments and Compensation Committee. The review is carried out on an objective-by-objective basis, for all of the financial and individual and qualitative and quantitative objectives, as well as on an aggregate basis. The results of this assessment are published in a press release.

An overall percentage achievement rate is calculated both for (i) the financial objectives and (ii) the individual objectives, based on the applicable metrics and weightings and the achievement rates for each objective. These overall percentages are then used to calculate the actual amount due.

2. Detailed description of the Chief Executive Officer's annual variable compensation

The Board of Directors has decided that the Chief Executive Officer's variable compensation will be based on the following:

Target annual variable compensation and maximum amount ("Cap")

The Chief Executive Officer's "target" variable compensation – i.e., the amount payable if the achievement rate is 100% for all of the financial and individual performance objectives set out below – corresponds to 120% of his annual fixed compensation (the "Target").

If the Chief Executive Officer outperforms his objectives, his "maximum" variable compensation – i.e., the amount payable if the achievement rate is 130% for all of the financial and individual performance objectives set out below – will represent a maximum of 150% of his annual fixed compensation (the "Cap").

Structure – Criteria

The Chief Executive Officer's annual variable compensation is determined as follows:

- two-thirds is contingent on quantitative financial performance objectives based on recurring operating income (ROI)⁽¹⁾, free cash flow (FCF)⁽²⁾ and working capital (WC), calculated by reference to operating assets (Inventories)⁽³⁾ and Unpaid Receivables⁽⁴⁾;
- one-third is contingent on quantitative and qualitative individual objectives.

This annual variable compensation structure is also used for the Group's senior executives, adapted to each individual.

Quantitative financial performance objectives – parameters

The following parameters apply:

- Weightings:
 - ROI: 60%,
 - FCF: 25%,
 - working capital: 15%, with 10% based on operating assets (Inventories) and 5% based on Unpaid Receivables;
- Triggering thresholds (Thresholds) based on the objectives in the annual budget which serves as the reference (Objective(s)):
 - 80% of the ROI Objective,
 - 65% of the FCF Objective,
 - 135% of each of the working capital Objectives, i.e., Inventories and Unpaid Receivables (if the level is higher than 135% for either of these Objectives, no additional variable compensation will be due as anything over 135% for these two metrics corresponds to underperformance);

- Calculation methods for the Thresholds, Target and Caps:

- the Threshold for each performance metric triggers the entitlement to variable compensation (starting at 0 from the Threshold and reaching up to the Target if the budget Objective is achieved); if the achievement level of an Objective is 100%, the Target for the performance metric concerned will be payable;
- if an Objective is exceeded, the variable compensation allocated in respect of that Objective will be increased beyond the Target in proportion to the extent to which the Objective is exceeded (but capped at a maximum of 130% irrespective of the extent to which the Objective is exceeded). Consequently:
 - if 130% (or more) of the ROI Objective is achieved, the Cap for this metric will be payable,
 - if 130% (or more) of the FCF Objective is achieved, the Cap for this metric will be payable,
 - if 70% (or less) of each of the working capital Objectives is achieved (Inventories and Unpaid Receivables), the Cap for each of these metrics will be payable.

Based on these indicators, an overall percentage achievement level of the financial objectives is obtained, which is then applied for determining the amount due.

For achievement levels between the Threshold and the Target and the Target and the Cap, the amounts payable will be calculated on a straight-line basis.

The applicable indicators are usually set by the Board of Directors in the first quarter of the year concerned and they may be changed from one year to the next.

Individual objectives (qualitative and quantitative)

These objectives are set by the Board of Directors and relate to strategic, business and managerial areas specific to the coming year. For example, they can be based on the implementation of strategic decisions validated by the Board of Directors, major industrial and commercial developments and programs, organizational and management measures or initiatives that factor in the Group's CSR and sustainable development policy.

These objectives are not related to routine tasks but to specific actions for which the Board of Directors expects a particular level of performance.

When setting these individual objectives, the Board is careful to factor in the Group's CSR and sustainable development targets and to ensure that some of the objectives are quantifiable, bearing in mind that two-thirds of the Chief Executive Officer's annual variable compensation is based on the achievement of quantitative objectives relating to financial performance.

An overall percentage achievement rate is calculated for the individual objectives based on the applicable weightings and the achievement rates for each objective. This overall percentage is then used to calculate the actual amount due.

Information on the current Chief Executive Officer's individual objectives for 2025 is provided in the table below.

(1) Adjusted recurring operating income (see section 1.5.2 of this Universal Registration Document).

(2) Free cash flow (see section 1.5.3 of this Universal Registration Document) corresponds to cash flow from operating activities less changes in working capital and acquisitions of property, plant and equipment and intangible assets.

(3) Inventories and work-in-progress, as described and broken down in section 3.1, Note 6.2.1 of this Universal Registration Document.

(4) Receivables unpaid at their due date, as measured at the end of the reference period.

ILLUSTRATIVE TABLE FOR 2025 ANNUAL VARIABLE COMPENSATION

The table below summarizes the main rules applicable to the Chief Executive Officer's annual variable compensation for 2024 as well as the underlying performance objectives and their respective weightings, as set by the Board of Directors on March 20, 2025 based on the recommendation of the Appointments and Compensation Committee.

2025 annual variable compensation for the Chief Executive Officer – Olivier Andriès (payment subject to shareholders' approval at the 2026 Annual General Meeting):

- The proposed compensation policy for the Chief Executive Officer (see section 2.6.2.2.c) provides that his "target" variable compensation – i.e., the amount payable if the achievement rate is 100% for all of the financial and individual performance objectives – will correspond to 120% of his annual fixed compensation of €950,000 (the "Target").
- If the Chief Executive Officer outperforms his objectives, his "maximum" variable compensation – i.e., the amount payable if the achievement rate is 130% for all of the financial and individual performance objectives – will represent a maximum of 150% of his annual fixed compensation (the "Cap").
 - Target amount: €1,140,000, i.e., 120% of his fixed compensation if the achievement rate for all of the objectives is 100%.
 - Maximum amount: €1,425,000, i.e., 150% of his fixed compensation if the achievement rate for all of the objectives is 130%.

1. 2025 financial performance objectives (quantitative financial objectives)* (adjusted data)		Weighting
Accounting for 2/3 of the CEO's annual variable compensation (67%)		
1	Recurring operating income (ROI)	60%
2	Free cash flow (FCF)	25%
3	Working capital, comprising the following components:	15%
	■ Operating assets (Inventories)	10%
	■ Unpaid receivables (late customer payments)	5%
Sub-total (base: 100%)		100%

2. 2025 individual objectives (qualitative and quantitative individual performance objectives)*		Weighting
Accounting for 1/3 of the CEO's annual variable compensation (33%)		
1	Strengthen strategic partnerships (qualitative)	25%
2	CFM56/LEAP business model transition (quantitative)	10%
3	Continue to improve Aircraft Interiors industrial and financial performance (qualitative and quantitative)	10%
4	Delivery performance (quantitative)	10%
5	Digital (qualitative and quantitative):	10%
	■ Artificial intelligence (AI): Carry out a plan related to projects for employee assistance based on artificial intelligence algorithms (qualitative and quantitative);	
	■ Cybersecurity: Develop a plan for in-depth cyber testing and advanced cyber detection in industrial environments (qualitative and quantitative);	
	■ Cloud: Draw up a rollout plan for the use of cloud services in relation to IT infrastructure (qualitative and quantitative).	
6	CSR & human capital (qualitative and quantitative):	35%
	■ Safety: frequency rate of lost-time accidents maintained at the same level, amid the ramp-up in business: frequency rate of 2;	
	■ HR/Diversity & Gender Equality:	
	● increase the proportion of women senior executives and members of the Group's governance bodies to 24%;	
	● plan to internationalize the Group's leadership and culture, set and approved by the Executive Committee;	
	■ CSR: Implement new reporting requirements (in line with the CSRD) – publication of the Group's first Sustainability Statement and preparation of the 2025 work program;	

2. 2025 individual objectives (qualitative and quantitative individual performance objectives)*

Weighting

Accounting for 1/3 of the CEO's annual variable compensation (33%)

- Climate:
 - reduce Scope 1 and 2 CO₂ emissions by 35% compared to 2018,
 - continue to secure the 2030 target (objective to reduce Scope 1 and 2 CO₂ emissions by 50% compared to 2018),
 - ensure that the Group's sites become increasingly energy efficient, achieving the Energy Management System Gold Standard. Results indicator: 95% of energy consumption at Gold level by the end of 2025,
 - continue to mobilize our suppliers to become more low-carbon, ensuring that our TOP400 suppliers have Scope 1 and 2 CO₂ emissions reduction targets and that they have disclosed these targets;
- Circular economy:
 - Titanium recyclability: sustain the titanium swarf return trajectory over the 2024-2028 medium-term plan period.

SUB-TOTAL (BASE: 100%)

100%

* The content of the individual qualitative objectives and the expected achievement rates for the quantitative objectives have been precisely pre-determined and defined, but cannot be disclosed in further detail for confidentiality reasons in view of their strategic and competitive sensitivity.

Payment condition

The achievement of the financial and individual objectives set for the Chief Executive Officer's variable compensation for 2025 will be reviewed by the Board of Directors in early 2026, based on the recommendation of the Appointments and Compensation Committee.

Payment of this annual variable compensation will be subject to shareholders' approval at the 2026 Annual General Meeting.

d) Long-term incentive plan (performance share grants)

1. Objective

The Board of Directors considers that the long-term incentive system – which also applies to other key positions within the Company – is particularly suited to the position of Chief Executive Officer in view of the direct contribution expected from him to the Group's long-term performance. In addition, the system is based on performance share grants which strengthen the motivation and teamwork of beneficiaries and foster their loyalty, while at the same time aligning their interests with those of the Company and its shareholders. These share grants are also in line with the Board's strategy of linking the incentives of senior executives to Safran's share performance – with the inherent risks and rewards that this involves – in order to encourage long-term reasoning in their actions.

The Board of Directors may only grant performance shares if it has been given the necessary authorizations by way of a two-thirds majority vote of shareholders in an Extraordinary General Meeting. Consequently, related resolutions will be submitted to the Annual General Meeting and the shareholders will be asked to approve the components of the long-term incentive system. If approved, these resolutions could be used to add to and adjust the policy applicable to the Chief Executive Officer in relation to long-term compensation.

2. Detailed description of the Chief Executive Officer's annual variable compensation

Performance share grants made to the Chief Executive Officer are subject to the following principles and criteria:

Cap

The number of performance shares granted to the Chief Executive Officer may not:

- represent more than the equivalent of 120% of his annual fixed compensation, based on the accounting value, in accordance with IFRS 2⁽¹⁾, estimated prior to the grant;
- exceed 5% of the total performance shares making up each grant. In addition, the resolutions submitted to shareholders in an Extraordinary Shareholders' Meeting for the purpose of authorizing such grants will set a maximum percentage of the Company's capital that the performance shares may represent.

Performance conditions

All performance shares granted to the Chief Executive Officer will only vest if the applicable internal and external performance conditions are met. The achievement of these conditions will be assessed over three full consecutive fiscal years, including the year in which the performance shares are granted. These performance criteria are also applied to the Group's other beneficiaries of performance shares, with appropriately adapted weightings where applicable.

(1) See section 3.1, Note 6.3.2 of this Universal Registration Document.

Standard internal performance conditions

The standard internal performance conditions account in principle for 70% of the Chief Executive Officer's total vested shares and are based on the Group's financial and economic performance as well as its non-financial performance if decided by the Board of Directors.

■ Financial and economic performance

The two standard internal performance conditions relating to financial and economic performance account in principle for 50% of the total vested shares and are based on:

- recurring operating income (ROI), for 50%;
- free cash flow (FCF), for 50%.

The financial and economic performance conditions will be assessed over a three-year period. The achievement levels for these conditions are measured by reference to the average of the ROI and FCF targets for the fiscal year in which the grant takes place and for the following two fiscal years, as set in the Group's most recent medium-term plan (MTP) or in the budget based on the MTP for the fiscal year in progress, as adjusted to factor in any exceptional circumstances or events and approved by the Board of Directors before the grant date (the "Reference Target"). The following achievement levels have been set for these conditions:

- lowest achievement level: if 80% of the Reference Target is achieved, 40% of the shares contingent on that target will vest;
- target achievement level: if 100% of the Reference Target is achieved, 80% of the shares contingent on that target will vest;
- highest achievement level (cap): if 125% of the Reference Target is achieved, 100% of the shares contingent on that target will vest;
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the non-financial performance condition concerned will vest.

■ Non-financial performance

The internal conditions relating to non-financial performance count, in principle, for 20% of the total vested shares.

The non-financial conditions relate to CSR and sustainable development objectives. The conditions, defined by the Board of Directors prior to the grant date, could take into account the Group's medium-term priorities or strategic challenges on these issues.

They will be quantifiable or measurable, making it possible to objectively monitor them and identify the actual achievement rate at the end of the performance period. When the Board of Directors grants performance shares, these conditions are communicated along with their respective weightings and other essential parameters.

For example, they can be based on targets related to:

- environmental and climate topics (such as the reduction of CO₂ emissions);
- gender equality (such as the proportion of women senior executives within the Group); and
- safety (such as reducing the lost-time accident frequency rate).

The non-financial conditions applicable to the performance shares granted by the Board of Directors on March 20, 2025 were based on the above targets (see section 2.6.5.2.2).

External performance condition

The external performance condition counts, in principle, for 30% of the total vested shares and is based on Safran's total shareholder return (TSR) performance as measured relative to a panel of companies or reference indices. The composition of this panel may change in order to factor in changes in the structure or operations of the Group or of the companies and indices concerned.

The following achievement levels have been set for this condition:

- lowest achievement level: if Safran's TSR is equal to that of the peer companies, 40% of the shares contingent on the external performance condition will vest;
- target achievement level: if Safran's TSR is 8 points higher than that of the peer companies, 80% of the shares contingent on the external performance condition will vest;
- highest achievement level (cap): if Safran's TSR is 12 points higher than that of the peer companies, 100% of the shares contingent on the external performance condition will vest;
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the non-financial performance condition will vest.

If allowed by the relevant shareholder authorization covering performance share grants, the Board of Directors may, at its discretion, revise the weighting of this external condition, but to no less than 20%, in order to increase the weighting of the standard internal conditions to 80% where required, particularly if the Board believes that it would be useful or necessary to do so in light of the Group's strategic priorities and/or medium-term imperatives. If the Board does decide to revise this weighting, it will disclose this fact via a press release.

Additional conditions

As well as the portion attributed to the standard performance conditions, the Board of Directors may, at its discretion, apply additional demanding and quantifiable performance conditions for which it would define the parameters, in order to take into account the Group's medium-term priorities and challenges. In such a case, the additional performance conditions and their parameters, as defined by the Board of Directors prior to the grant, would be disclosed and their weighting would reduce the weighting of the standard internal performance conditions.

Such additional performance conditions would not therefore affect the cap on the value of grants to be made as defined above.

Overall presentation – Illustration and weightings

Performance conditions*			Overall weighting (in principle)
Standard internal performance conditions	Financial and economic performance	ROI (adjusted recurring operating income)	25%
	Non-financial performance	FCF (free cash flow)	25%
		CSR and sustainable development objectives The Group's medium-term priorities or strategic challenges on these issues	20%
External performance condition	TSR	Safran's total shareholder return (TSR) compared with a panel of companies or benchmark indices	30%
TOTAL			100%

* Excluding any additional performance conditions that may be included (see d) above).

The achievement rate of each performance condition is assessed by the Board of Directors, based on the review and recommendations of the Appointments and Compensation Committee. The results of this assessment are published in a press release.

Vesting and lock-up periods

The shares granted to the Chief Executive Officer are subject to a vesting period set by the Board of Directors, which may not be less than three years.

In addition, any shares granted to the Chief Executive Officer will be subject to a lock-up period of at least one year following their vesting date.

Other conditions

Holding requirement and undertaking not to use hedges

The Chief Executive Officer:

- is required to hold in registered form a proportion of his vested shares, as set by the Board of Directors, until his term of office as Chief Executive Officer ends.

The Board has decided that following the lock-up period and for the duration of his term of office, the Chief Executive Officer will be required to hold in registered form 40% of the vested performance shares delivered to him under performance share plans, until the number of shares he holds represents the equivalent of one year of his most recent annual fixed compensation.

In addition, the Chief Executive Officer will be required to hold in registered form, until his term of office as Chief Executive Officer ends, a minimum of 500 of the vested performance shares delivered to him under each of the performance share plans under which he is granted performance shares during his term of office as Chief Executive Officer;

- must give a formal undertaking to refrain from using instruments to hedge the risks related to these shares until after the end of the lock-up period.

Continuing service condition – principles and exceptions

Under the rules of the performance share plan, the shares will only vest if the beneficiary still forms part of the Group on the vesting date ("continuing service condition"), apart from in a limited number of usual cases (death, disability, retirement of the beneficiary and a specific decision by the Board of Directors).

In particular:

- In the event of his death before the end of the vesting period, the Chief Executive Officer's heirs or beneficiaries may ask for the performance shares to be attributed (and delivered) to them. If the achievement rate of the performance conditions is not yet known at that date, the performance conditions will be deemed to have been met.
- If the Chief Executive Officer retires before the end of the vesting period, and provided that he has been with the Group for at least one year before retirement, he will retain his rights proportionately to the time he was with the Group during the vesting period.
- The Board of Directors may grant exemptions from the continuing service condition and the requirements set out above, and may decide to maintain all or part of the beneficiary's entitlements, in accordance with terms and conditions set by the Board.

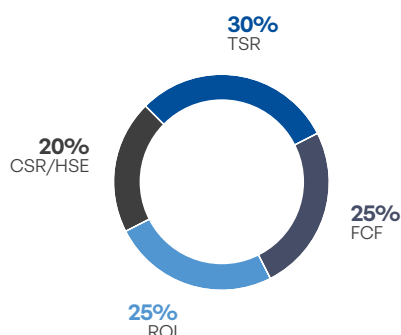
Information on performance share grants made to the Chief Executive Officer in 2024 and 2025 is provided in sections 2.6.5.2.1 and 2.6.5.2.2.

ILLUSTRATIVE CASE FOR THE 2025 GRANT

At its meeting on March 20, 2025, acting on the recommendation of the Appointments and Compensation Committee, the Board of Directors used the authorization granted by the shareholders in the 27th resolution of the May 25, 2023 Annual General Meeting to grant performance shares to certain Group managers and senior executives (2025 Long-Term Incentive Plan, see section 2.6.5.2.2).

As part of this overall grant, the Board granted 6,540 performance shares to the Chief Executive Officer, representing less than 5% of the total number of performance shares granted under the 2025 Long-Term Incentive Plan, which complied with the compensation policy described in section 2.6.2.2.

The performance shares granted to the Chief Executive Officer are subject to the condition that he is still with the Group when the shares vest ("continuing service condition") and to the achievement of internal and external performance conditions (see section 2.6.5.2.2 for a summary), based on the following weightings:



The vesting period has been set at three years (2025-2027) and the number of shares that will ultimately vest will depend on the extent to which the applicable conditions are met over that period.

The performance shares delivered to the Chief Executive Officer at the end of the vesting period will be subject to a one-year lock-up period.

The Board also confirmed that following this lock-up period and until his term of office ends, the Chief Executive Officer will be required to hold in registered form 40% of the vested performance shares delivered under this plan or any other plans until the number of shares he holds represents the equivalent of one year of his most recent annual fixed compensation. In addition, the Chief Executive Officer will be required to hold in registered form, until his term of office as Chief Executive Officer ends, a minimum of 500 of the vested performance shares delivered to him under this plan and any other plan under which he is granted performance shares during his term of office as Chief Executive Officer.

The accounting value of these 6,540 performance shares, as measured at the grant date in accordance with IFRS 2 (see section 3.1, Note 6.3.2 of this Universal Registration Document – i.e., March 20, 2025), corresponds to €1,139,987.

e) Multi-year variable compensation

The Board of Directors has decided not to put in place a multi-year variable compensation plan as it considers that share-based payments such as performance share grants are more in line with shareholders' interests (see the long-term incentive plan above).

f) Exceptional compensation

The Board of Directors has decided against including an exceptional component in the compensation policy for the Chief Executive Officer.

g) Directors' compensation

The Chief Executive Officer does not receive any compensation in his capacity as a Director of the Company. He is therefore not included in the allocation of Directors' compensation carried out in accordance with the rules provided for in the compensation policy for Directors (see section 2.6.2.3).

h) Benefits-in-kind

The Chief Executive Officer has the use of a company car.

He is also entitled to be reimbursed for expenses incurred in connection with his role as Chief Executive Officer, as well as any specifically agreed personal travel expenses, and he is provided with the material resources required for performing his duties.

i) Supplementary pension plans

Safran's policy is to align the post-employment benefits of the Chairman and the Chief Executive Officer with those of the Group's managerial-grade staff. This is in line with Safran's internal promotion policy built on helping in-house executives with considerable experience and expertise, often acquired during many years of service with the Group, to move seamlessly into corporate officer positions and to grant corporate officers similar entitlements to those of the plans' other beneficiaries.

No specific supplementary pension plan has been put in place for the Chief Executive Officer.

However, the Chief Executive Officer may be a beneficiary of the supplementary pension plans set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries, if the Board of Directors:

- authorizes the Chief Executive Officer to join the plans; or
- authorizes him to continue to be a beneficiary if he was already a beneficiary prior to his appointment as Chief Executive Officer.

At its meeting on December 16, 2020, the Board of Directors decided that the Chief Executive Officer would continue to be a beneficiary of the plans and benefits described below, for which he was already eligible when he was an employee, i.e., before he was appointed Chief Executive Officer.

The Chief Executive Officer is a beneficiary of the same plans as described in section 2.6.2.1.g concerning the compensation policy for the Chairman.

Defined contribution plans: Core Plan, PERO – Additional Plan and Article 82

The Chief Executive Officer is a beneficiary of these plans under the same terms and conditions as the other plan beneficiaries.

The “PERO – Core Plan” contributions are based on the compensation subject to social security contributions that the Chief Executive Officer receives for his role as Chief Executive Officer.

The “PERO – Additional Plan” contributions are based on the compensation subject to social security contributions that the Chief Executive Officer receives for his role as Chief Executive Officer, capped at eight times the annual social security ceiling (PASS).

The contributions to the Article 82 defined contribution plan are based on the annual fixed compensation and the annual variable compensation (subject to the performance conditions defined in section 2.6.2.2.c) that the Chief Executive Officer receives for his role as Chief Executive Officer.

Information on the expenses recognized for 2024 by the Company in relation to the PERO plans of which the Chief Executive Officer is a beneficiary, as well as the estimated theoretical amount⁽¹⁾ at December 31, 2024 of the annuity that could be paid to him under those plans, are disclosed in section 2.6.3.2.f.

Information on the expenses recognized for 2024 by the Company in relation to the Article 82 Plan of which the Chief Executive Officer is a beneficiary, as well as the estimated theoretical amount⁽¹⁾ at December 31, 2024 of the annuity that could be paid to him under that plan, are disclosed in section 2.6.3.2.f.

“Article 39” defined benefit plan (closed to new entrants and entitlements frozen)

The Chief Executive Officer was previously a beneficiary of Safran’s defined benefit supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 39 of the French Tax Code (the “Article 39 Plan”; see section 2.6.2.1.g concerning the compensation policy for the Chairman), subject to the same terms and conditions as the other plan beneficiaries. Olivier Andriès was originally a beneficiary of this plan in his former capacity as a Company employee. This plan is now closed to new entrants and the benefit entitlements have been frozen, including for the Chief Executive Officer.

However, he could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met (see section 2.6.2.1.g). These terms and conditions notably include seniority, which accounts for an additional 15.9% of the reference compensation.

For information purposes, the estimated theoretical amount⁽¹⁾ at December 31, 2024 of the annuity that could be paid to the Chief Executive Officer under the frozen Article 39 plan is provided in section 2.6.3.2.f.

J) Personal risk insurance plan

The Chief Executive Officer is a beneficiary of the personal risk insurance plan set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries.

The contributions to this plan are based on the compensation subject to social security contributions that the Chief Executive Officer receives for his role as Chief Executive Officer.

k) Indemnities or benefits payable to the Chief Executive Officer for termination of office, change in duties or non-compete agreements

The Chief Executive Officer is not eligible for any indemnities or benefits if his office is terminated or if there is a change in his duties. Similarly, he is not entitled to any non-compete indemnity.

This approach is consistent with Safran’s policy, described below, of suspending, rather than terminating, the employment contracts of any Group senior executives who are appointed as corporate officers of the Company, and is aimed at avoiding any potential cumulation of corporate officers’ benefits and benefits attributable under employment contracts.

l) Suspension of the Chief Executive Officer’s employment contract and related entitlements

Safran’s policy is to suspend, rather than terminate, employment contracts when senior executives are appointed as corporate officers because, depending on their age and length of service with the Group, terminating their employment contract could deter them from moving into top executive positions on account of the rights they could lose upon such termination. This policy is aimed at favoring internal promotion of talent wherever possible, which enables Safran to propose corporate officer positions to its senior executives who have the highest level of know-how, share and relay the Group’s culture and values, and have in-depth knowledge of its markets. The objective of suspending, rather than terminating, employment contracts is not to avoid the AFEF-MEDEF Code’s recommendations and guidelines relating to Chief Executive Officers (notably concerning corporate officers’ departures), since reactivating an employment contract at the end of a corporate officer’s term of office does not release him or her from the regulatory framework applicable to such officers.

The Chief Executive Officer has a permanent employment contract with Safran, which has been suspended but not terminated (see sections 2.4 and 2.6.2.2.l). In accordance with the collective bargaining agreement applicable to Safran (engineers and managerial-grade employees in the metallurgy industry), the rights attached to a suspended employment contract may include benefits or indemnities provided for under French labor law. Consequently, when the Chief Executive Officer ceases to hold his corporate office and his employment contract resumes:

- on his retirement date, he may be eligible for a retirement bonus. This retirement bonus would be calculated based on (i) his seniority within the Company (taking into account the years during which his employment contract was suspended when he was a corporate officer), and (ii) his annual compensation (based on a reference salary corresponding to the salary he was earning when his employment contract was suspended), adjusted based on a percentage corresponding to the average of the individual salary increases applied at Safran during the contract suspension period;
- if the employment contract is terminated by Safran, the Chief Executive Officer may be entitled to a termination benefit and a six-month notice period. This retirement bonus would be calculated based on (i) his seniority within the Company (taking into account the years during which his employment contract was suspended when he was a corporate officer), and (ii) his compensation (based on a reference salary corresponding to the salary he was earning when his employment contract was suspended), adjusted based on a percentage corresponding to the average of the individual salary increases applied at Safran during the contract suspension period.

(1) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions.

m) Exceptional circumstances or events

If any significant exceptional circumstances or events occur, i.e., circumstances or events that are out of the ordinary or beyond the Company's control, whose effects are not taken into account or reflected in the original metrics, criteria or benchmarks or those on which the current compensation policy concerning annual variable compensation and long-term incentive allocations is based and which may alter the assessment of the Chief Executive Officer's performance, the Board of Directors may decide, on the recommendation of the Appointments and Compensation Committee, and on an exceptional basis, to adapt and adjust these metrics, criteria or benchmarks, in particular by raising or lowering the performance targets, to take into account the impact of those circumstances or events. However, any caps on this type of compensation expressed in terms of a percentage of the Chief Executive Officer's fixed compensation may not be altered.

In such a case:

- in its assessment of the Chief Executive Officer's actual performance, the Board of Directors will take into account the favorable or unfavorable impact that the exceptional event or circumstance had on the Group's overall performance and the compensation paid to shareholders and the Group's personnel over the period;
- the Board of Directors will ensure that these adjustments (i) are designed to restore, to a reasonable extent, the original balance or objective, as adjusted for the expected impact of the event over the period concerned and (ii) maintain alignment with the Company's interests, strategy and outlook;
- the adjustments and the reasons therefore will be disclosed in a press release.

n) Adaptation of the compensation policy for the Chief Executive Officer in the event of a new Chief Executive Officer being appointed or the duties of an existing Chief Executive Officer ceasing during the year

If a new Chief Executive Officer is appointed or the duties of an existing Chief Executive Officer cease during the course of a year, the above principles will apply on a proportionate basis for the period during which he performs his duties.

2.6.2.3 Compensation policy for Directors

a) Principles

Article 17 of the Company's bylaws provides for compensation to be paid to the Directors.

In accordance with the law, the shareholders in a General Meeting set the aggregate annual amount of compensation that may be allocated to the Directors as consideration for their duties (the "Aggregate Compensation"). The Aggregate Compensation is set by way of a resolution proposed to the shareholders. The Aggregate Compensation approved by the shareholders remains unchanged and applies for each successive fiscal year until decided otherwise by way of a new resolution adopted by the shareholders at a General Meeting.

The rules for allocating the Aggregate Compensation under the current Directors' compensation policy (the "Allocation Rules") were set by the Board and submitted to the shareholders for their approval.

The Allocation Rules take into account Directors' actual attendance at meetings of the Board and its Committees, and therefore include a significant variable portion. The amount of

In the case of a new appointment, these principles will be applied by taking as the reference point the annual fixed compensation decided by the Board of Directors when the new Chief Executive Officer is appointed.

However, if an appointment takes place during the second half of the year, the assessment of the Chief Executive Officer's performance for the purpose of calculating his annual variable compensation will be carried out by the Board of Directors on a discretionary basis, on the recommendation of the Appointments and Compensation Committee. The rationale underpinning the determination of the performance criteria achievement rate would be disclosed in a press release.

For long-term incentive plans (which take the form of performance share grants), the plan rules provide for the possibility for the Board of Directors to grant exemptions from the continuing service condition. Accordingly, the Board may decide that on the expiration of the Chief Executive Officer's term of office, he may retain all or some of his entitlement to the long-term incentive plan benefits he has accrued, based on terms and conditions set by the Board. The rationale underpinning this decision, as well as the decision about what happens to the vested rights under the plan, would be disclosed in a press release.

o) Adaptation of the policy for Deputy Chief Executive Officers

If the Company appoints any Deputy Chief Executive Officers, the compensation structure, principles and criteria provided for in the compensation policy for the Chief Executive Officer would apply to them. The Board of Directors would then adapt this policy in line with the specific situation of the Deputy Chief Executive Officer concerned in order to set the objectives, performance levels, indicators, and structure of their compensation packages and the maximum that their variable compensation may represent as a proportion of their annual fixed compensation (it being specified that this proportion and the amount of their annual fixed compensation may not be higher than those set for the Chief Executive Officer).

compensation paid to each Director must be adapted to their particular level of responsibility as a Director and the time they devote to their directorship duties.

The Aggregate Compensation is allocated between the Directors by the Board, by applying the Allocation Rules.

The individual amounts paid to each Director are set out in the corporate governance report (see section 2.6.4.1).

The Chairman of the Board of Directors and the Chief Executive Officer do not receive any compensation amounts out of the Aggregate Compensation, as stipulated in their compensation policies since 2019 (see sections 6.6.1.2 and 6.6.1.3 of the 2018 Registration Document and sections 2.6.2.1.c and 2.6.2.2.g of this Universal Registration Document).

The cases in which the payment of compensation to Directors must be suspended are also set out in the applicable regulations.

b) Allocation Rules

In accordance with the Allocation Rules set by the Board of Directors⁽¹⁾, the Aggregate Compensation is allocated as follows (which may not necessarily represent the full amount of the Aggregate Compensation):

- the representative of the French State appointed pursuant to Article 4 of *ordonnance* 2014-948 dated August 20, 2014 and the Director(s) appointed pursuant to Article 6 of said *ordonnance* do not directly receive Directors' compensation when they act in the capacity of public agents. Instead, their portion of the Aggregate Compensation is paid directly by the Company to the French Treasury. For compensation allocated to Directors appointed pursuant to Article 6 of said *ordonnance* who are not public agents, the same applies to any amount that exceeds the cap set in the ministerial decree of December 18, 2014 implementing section V of Article 6 of said *ordonnance*;
- irrespective of whether or not the role of Chairman of the Board of Directors is separate from that of Chief Executive Officer, the Chairman and the Chief Executive Officer (if he is a Director) are not entitled to Directors' compensation and are not included in the allocation of compensation carried out by the Board in accordance with the Allocation Rules;
- For membership of the Board of Directors:

Annual fixed compensation:

- each Director (excluding the Chairman and the Chief Executive Officer if either is a Director) and any Board Advisors (censeurs) are entitled to annual fixed compensation whose amount is set by the Board of Directors,
- if a new Director is appointed (or elected) during a given year, or if a directorship ceases during a given year, this annual fixed compensation is calculated proportionately based on the number of Board meetings held during the year.

Variable compensation per Board meeting:

- each Director (excluding the Chairman and the Chief Executive Officer if either is a Director) and any Board Advisors (censeurs) are entitled to variable compensation for each Board meeting he or she attends, the amount of which is set by the Board of Directors,
- for membership of the Board Committees:

Variable compensation per Committee meeting:

- each Director (including the Chair(s) of temporary committees, but excluding the Chairman and the Chief Executive Officer if either is a Director) is entitled to variable compensation for each meeting he or she attends of any Committee(s) of which he or she is a member (or each meeting of any temporary committee that he or she chairs). The amount of this variable compensation is set by the Board of Directors,
- each Chair of a standing Board committee (excluding, where applicable, the Chairman and the Chief Executive Officer if either is a Director) is entitled to a higher amount of variable compensation for each standing Committee meeting that he or she chairs. The amount of this variable compensation is set by the Board of Directors;

- additional compensation for geographical distance:

- directors residing outside Metropolitan France are entitled to an additional amount of variable compensation per Board and Committee meeting that he or she physically attends. The amount of this additional variable compensation is set by the Board of Directors;

- cap and potential adjustment:

- a maximum annual gross amount of Directors' compensation is set per Director by the Board of Directors. If the application of the Allocation Rules leads to an individual annual gross amount of Directors' compensation exceeding this cap, the individual allocation of the Director(s) concerned will be reduced to this cap, before any adjustment is made,
- if the application of the Allocation Rules leads to a total amount of compensation to be allocated that is higher than the Aggregate Compensation set by the shareholders, said total amount will be decreased by reducing, on an equal proportionate basis, each individual allocation (rounded down to the nearest euro where necessary), such that the total amount allocated is equal to the Aggregate Compensation;

- each year, the Board of Directors places on record the overall and individual allocation of the Directors' compensation resulting from the application of the Allocation Rules. Where appropriate, the Board may decide to allocate any residual unallocated amount corresponding to the difference between the Aggregate Compensation set by the shareholders and the total allocated amount resulting from the application of the Allocation Rules.

c) Reimbursement of expenses

Each member of the Board of Directors is entitled to be reimbursed for travel expenses incurred in connection with their directorship, subject to providing the appropriate receipts.

d) Specific or one-off assignments

Directors may be allocated additional compensation if they carry out specific assignments, such as, by way of illustration, those performed by the Vice-Chair or the Lead Independent Director. In such a case, the Board may decide to set specific amounts for this purpose that will be taken into account when applying the Allocation Rules for the Aggregate Compensation.

Directors may also be paid additional compensation for any one-off assignments they may carry out, in which case the payment of this additional compensation will be subject to the procedure applicable to related-party agreements.

e) Written consultations

Written consultations are not remunerated, apart from in exceptional circumstances as determined at the discretion of the Chairman of the Board of Directors on the recommendation of the Appointments and Compensation Committee.

(1) Rules set on February 26, 2018 and applicable as from 2018.

ADDITIONAL INFORMATION

For information purposes, it is hereby disclosed that:

- the amount of the Aggregate Compensation to be allocated among the Directors, as approved by the shareholders at the May 25, 2022 Annual General Meeting, is €1,300,000. A comparative study carried out in 2024 showed that the €1,300,000 Aggregate Compensation of Safran's Directors' was 10.7% lower than the average annual aggregate amount paid by CAC 40 companies, which was €1,438,000 in 2023. At its meeting on December 19, 2024, the Board of Directors decided to propose that at the 2025 Annual General Meeting the shareholders raise the Aggregate Compensation to €1,400,000. The increase would be intended to enable Safran to offer its Directors average compensation that is more in line with the practices of comparable French companies and therefore to continue to attract Board members of the highest quality. It would also take into greater account the Directors' commitment and involvement in the Board's work, which justify a fair level of compensation. Based on a total number of 14 Directors (as the Chairman and the Chief Executive Officer do not receive Directors' compensation, in accordance with their compensation policies), the average theoretical compensation would amount to €100,000 per Director (compared to €92,857 currently), assuming that the full amount of Aggregate Compensation is allocated;
- the total amount of the allocations made to each Director may not exceed the maximum authorized amount of the Aggregate Compensation in effect, as set by the shareholders at the Annual General Meeting;
- the amounts of fixed and variable compensation payable per meeting under the Allocation Rules were set on a discretionary basis by the Board of Directors at its meeting on December 19, 2024 (including a change to the individual cap per director) as follows:

Amounts set for the purpose of applying the Allocation Rules	As from 2025 and for all subsequent years, unless otherwise decided by the Board (in €)
Annual fixed compensation per Director (full-year basis) (excluding the Chairman and the Chief Executive Officer)	11,550
For attendance at Board meetings:	
■ Variable compensation per Board meeting for the Directors (no Directors' compensation for the Chairman and the Chief Executive Officer)	6,000 (vs. 5,250 previously)
For attendance at meetings of the standing Board Committees and special temporary committees:	
■ Variable compensation per meeting for the Chairs of the standing Committees	10,000 (vs. 9,450 previously)
■ Variable compensation per meeting for Committee members (including for the Chairs of special temporary committees)	6,000 (vs. 5,250 previously)
Additional compensation for geographical distance, based on physical attendance per Board and Committee meeting	
■ Cross-Atlantic travel or equivalent	+3,675
■ Travel from a European country	+1,315
Annual cap on individual Directors' compensation paid out of the Aggregate Compensation	140,000 (vs. 130,000 previously)
Annual cap on the Aggregate Compensation (to be put to the vote of the shareholders at the 2025 AGM)	1,400,000

- if there are any major changes in the membership structure and work of the Board or the Board Committees or if their Chair changes during a given year, or if any significant exceptional circumstances or events occur, the Board may adjust these amounts accordingly, provided the weighting of the variable portion of Directors' compensation still represents the majority of the individual amounts allocated. In all circumstances, any such adjustments may not result in the total final allocation exceeding the amount of the Aggregate Compensation in effect at the time the adjustment(s) are made.

The table summarizing the compensation paid to members of the Board of Directors for 2023 and 2024 is provided in section 2.6.4.1.

2.6.3 Compensation and benefits of the Chairman and the Chief Executive Officer for 2024 (Report on the compensation of corporate officers)

The following section sets out the compensation and benefits of:

- the Chairman of the Board of Directors, Ross McInnes, for 2024;
- the current Chief Executive Officer, Olivier Andriès, for 2024.

2.6.3.1 Compensation and benefits of the Chairman of the Board of Directors for 2024

In his role as Chairman of the Board of Directors in 2024, Ross McInnes received a fixed amount of annual compensation. He does not receive any variable compensation or Directors' compensation (formerly "attendance fees"). Ross McInnes continued to be a beneficiary of the Group's personal risk insurance plan and supplementary pension plan, subject to the same terms and conditions as the other plan beneficiaries. In addition, he had the use of a company car as a benefit-in-kind.

The structure of Ross McInnes' compensation package for 2024 is in line with the compensation policy described in section 6.6.1.3 of the 2023 Universal Registration Document, which was approved by the shareholders at the Annual General Meeting of May 23, 2024.

The compensation and benefits of the Chairman of the Board of Directors are summarized in the tables in section 2.6.3.3.

a) Fixed compensation (2024)

On February 14, 2024, based on the recommendation of the Appointments and Compensation Committee, the Board raised the Chairman's annual fixed compensation from €450,000 to €500,000, after noting that the fixed compensation allocated for the duties of Chairman of the Board of Directors had not changed since 2018. This revision represented an 11% increase compared with his previous annual fixed compensation. Based on the most recent market study carried out in 2023, this amount remains below the median of the companies in the panel used for the 2023 benchmark survey (CAC 40 companies).

In line with the Chairman's compensation policy, this increase in his fixed compensation was justified by:

- a significant gap in the level of his fixed compensation compared with market benchmarks;
- the reappointment of the Chairman at the Annual General Meeting of May 25, 2023 (with 95.78% of the shareholders voting in favor);
- the Chairman's high-quality performance in carrying out his role, which is one of the criteria underlying his fixed compensation.

b) Directors' compensation for 2024

The Chairman did not receive any compensation in his capacity as a Director for 2024, in accordance with the compensation policy for the Chairman approved at the Annual General Meeting of May 23, 2024 (see section 2.6.2.1 of this Universal Registration Document).

c) Personal risk insurance plan

At its meeting on April 23, 2015, the Board of Directors decided to authorize the Chairman to continue to be a beneficiary of Safran's personal risk insurance plan set up in France for all Group managerial-grade staff (see section 2.6.2.1.h), subject to the same terms and conditions as the other plan beneficiaries. The Chairman was previously a beneficiary of this plan in his former capacity as a Company employee, then as Deputy Chief Executive Officer. The commitment given by the Company to enable Ross McInnes to continue to be a beneficiary of this plan was approved at the Annual General Meeting of May 19, 2016, pursuant to the legal provisions applicable at that date.

The corresponding expense recognized in the 2024 financial statements amounted to €8,248.56.

d) Supplementary pension system in 2024

No specific supplementary pension system has been put in place for the Chairman of the Board.

Defined contribution plans – PERO

Pursuant to a decision taken by the Board of Directors on February 26, 2018, the Chairman was a beneficiary of Safran's two defined contribution supplementary pension plans set up in France for all Group managerial-grade staff in accordance with Article 83 of the French Tax Code (the "Article 83 plans") and in force as at January 1, 2018 (replaced by PERO since January 1, 2022 – see section 2.6.2.1.g of this Universal Registration Document), subject to the same terms and conditions as the other plan beneficiaries. This commitment was approved by the shareholders at the May 25, 2018 Annual General Meeting pursuant to the legal provisions applicable at that date, and the Board decided to maintain it at its meeting on February 16, 2023 as part of the process of reappointing the Chairman of the Board of Directors (see section 6.1.1 of the 2022 Universal Registration Document).

The expenses recorded in the 2024 financial statements relating to the contributions paid for Ross McInnes under the PERO – Core Plan and the PERO – Additional Plan amounted to €13,678.56 and €15,996.96 respectively. At December 31, 2024, the estimated theoretical amount⁽¹⁾ of the annuities that could be paid to Ross McInnes under the PERO – Core Plan and the PERO – Additional Plan amounted to €11,758.77 and €5,261.50 respectively.

"Article 82" defined contribution plan

In accordance with a decision taken by the Board of Directors on March 23, 2017, the Chairman is a beneficiary of Safran's defined contribution supplementary pension set up in France for all Group managerial-grade staff pursuant to Article 82 of the French Tax Code (the "Article 82 Plan"), subject to the same terms and conditions as the other plan beneficiaries (see section 2.6.2.1.g). This decision was maintained by the Board at its meeting on February 16, 2023 in connection with the decision in principle to re-appoint Ross McInnes as Chairman of the Board of Directors (see section 6.1.1 of the 2023 Universal Registration Document).

⁽¹⁾ Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions (in accordance with Article D.22-10-16 of the French Commercial Code).

Under the Article 82 Plan, the Insurer Contribution and Additional Payment for the Chairman for 2024 totaled €39,015 each (i.e., €78,030 altogether), corresponding in each case to 7.80% of his reference compensation (15.6% in total).

At December 31, 2024, the estimated theoretical amount⁽¹⁾ of the annuity that could be paid to the Chairman under the Article 82 Plan was €17,261.58.

“Article 39” defined benefit plan (closed to new entrants and entitlements frozen)

The Chairman was previously a beneficiary of Safran’s defined benefit supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 39⁽²⁾ of the French Tax Code (the “Article 39 Plan”, closed to new entrants and entitlements frozen, see section 2.6.2.1.g), subject to the same terms and conditions as the other plan beneficiaries. Ross McInnes was originally a beneficiary of this plan in his former capacity as Deputy Chief Executive Officer. The commitment given by the Company to enable Ross McInnes to continue to be a beneficiary of this plan was approved at the Annual General Meeting of May 19, 2016.

This plan was closed to new entrants and existing entitlements frozen as from December 31, 2016. The Article 82 defined contribution plan described in section 2.6.2.1.g was set up to compensate for this closure.

However, as decided by the Board at its meeting on March 23, 2017 (and most recently confirmed at its February 16, 2023 meeting as part of the preliminary decision to re-appoint Ross McInnes as Chairman of the Board of Directors), the Chairman could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met.

2.6.3.2 Compensation and benefits of the Chief Executive Officer for 2024⁽⁴⁾

In his role as Chief Executive Officer, Olivier Andriès’ compensation package for 2024 included annual fixed compensation, annual variable compensation and performance shares granted under a long-term incentive plan. He continues to be a beneficiary of the Group’s personal risk insurance plan and supplementary pension plan, subject to the same terms and conditions as the other plan beneficiaries. In addition, he has the use of a company car as a benefit-in-kind and can claim travel expenses.

The structure of his 2024 compensation package as Chief Executive Officer was in line with the compensation policy described in section 6.6.2.2 of the 2023 Universal Registration Document, which was approved by the shareholders at the Annual General Meeting of May 23, 2024.

The structure of his 2025 compensation package is the same as the structure approved at the 2024 Annual General Meeting.

a) Fixed compensation (2024)

At its meeting on February 14, 2024, based on the recommendation of the Appointments and Compensation Committee, the Board of Directors decided to raise the Chief Executive Officer’s fixed compensation from €840,000 to €950,000. This revision represented a 13% increase compared with his previous annual fixed compensation. The €950,000 target level for the Chief Executive Officer’s fixed compensation was initially set by the Board of Directors in 2019 but increases towards that level were put on hold due to the Covid pandemic.

At December 31, 2024, the estimated theoretical amount⁽³⁾ of the annuity that could be paid to the Chairman corresponded to the cap set in the plan, i.e., €141,300 (corresponding to three times the annual social security ceiling [PASS], based on the 2025 value of the PASS).

e) Termination of employment contract

The Chairman’s employment contract was terminated, with his agreement, when his term of office as Chairman was renewed on May 23, 2019. He did not receive any severance pay or other specific benefits on the termination of his employment contract. At that date, he lost the entitlements to severance pay and retirement bonuses associated with his employment contract (see section 6.6.2.1 of the 2018 Registration Document).

f) Other indemnities or benefits payable for the termination of office or a change in duties – Non-compete indemnities

The Chairman of the Board of Directors is not eligible for any indemnities or benefits if his office is terminated or if there is a change in his duties. Similarly, he is not entitled to any non-compete indemnity.

In accordance with the Chief Executive Officer’s compensation policy, this increase, which is being applied in connection with Olivier Andriès’ reappointment as Chief Executive Officer, was justified by (i) the repeated acknowledgement by the Board that the Chief Executive Officer’s compensation has been out of step with the market since 2019, and (ii) the importance of ensuring that the Chief Executive Officer’s compensation package remains competitive. The comparative study, which has been conducted and updated annually by an independent consulting firm since 2019, once again showed in 2023 that the Chairman’s compensation could be set at a significantly higher level. Despite the Board’s repeated intention to raise the Chief Executive Officer’s fixed compensation to its target level of €950,000, Olivier Andriès voluntarily waived the increase in his fixed compensation between 2021 and 2022, and in 2023 expressed his wish not to increase his fixed compensation above 5% to remain in line with the budget for salary increases for Safran Group senior executives in France on January 1, 2023. This 5% increase in 2023 was a first step towards the €950,000 target. As the target level for the Chief Executive Officer’s fixed compensation has now been reached, in accordance with the AFEP-MEDEF Code, no further increases are planned in the short term.

(1) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions.

(2) Defined benefit plan meeting the conditions set out in Article L.137-II of the French Social Security Code.

(3) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions.

(4) ESR5 2 GOV 3 - Integration of sustainability-related performance in incentive schemes.

The compensation of Safran's Chief Executive Officer is reviewed by the Appointments and Compensation Committee in light of a benchmark analysis of his compensation against two panels:

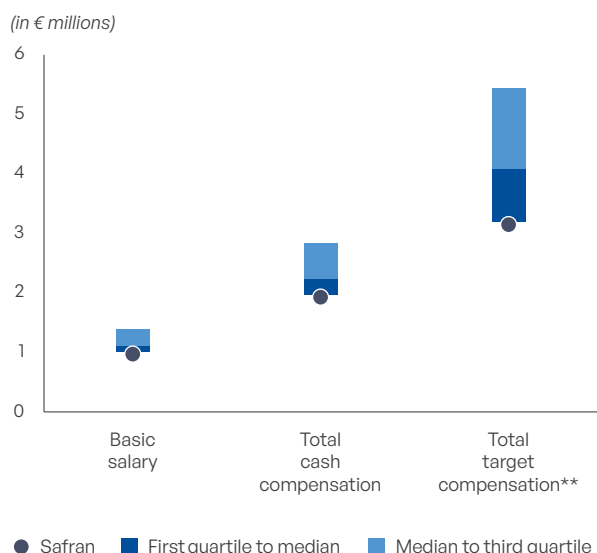
- An "Industry" panel: this panel is made up of French industrial groups comparable to Safran. It is composed of:

"Industry" panel				
AIR LIQUIDE	ENGIE	RENAULT	SCHNEIDER ÉLECTRIC	VEOLIA ENVIRONNEMENT
AIRBUS GROUP	ESSILORLUXOTTICA	FORVIA	STELLANTIS	VINCI
ALSTOM	LEGRAND	SAINT-GOBAIN	THALES	VALEO
DASSAULT AVIATION	MICHELIN	SOLVAY	TOTALENERGIES	

- A "French State" panel: this panel is made up of major Groups in which the French State is a minority shareholder. It is composed of:

"French State" panel			
AIR France-KLM	ENGIE	RENAULT	THALES
AIRBUS GROUP	ORANGE		

THE COMPENSATION OF SAFRAN'S CHIEF EXECUTIVE OFFICER IN COMPARISON TO THE "INDUSTRY" PANEL



* Total target cash compensation

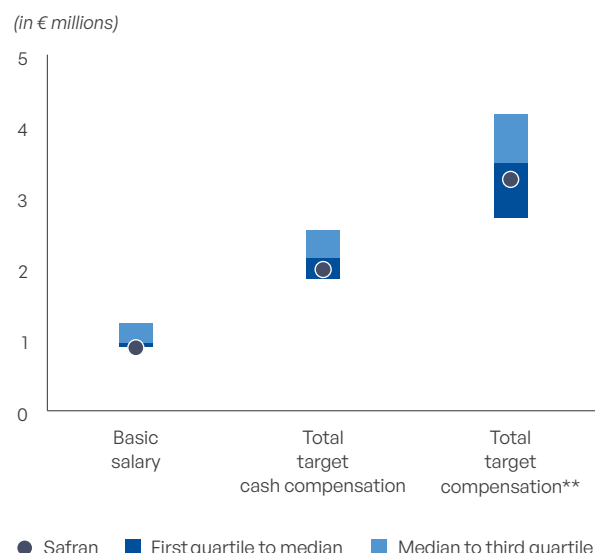
= Base salary + Annual short-term variable compensation

** Total target compensation

= Total target cash compensation + Long-Term Incentive

The Chief Executive Officer's compensation was generally in the first quartile of compensation levels for the "Industry" panel.

THE COMPENSATION OF SAFRAN'S CHIEF EXECUTIVE OFFICER IN COMPARISON TO THE "FRENCH STATE" PANEL



* Total target cash compensation

= Base salary + Annual short-term variable compensation

** Total target compensation

= Total target cash compensation + Long-Term Incentive

The Chief Executive Officer's compensation was between the first quartile and the median compensation levels for the "French State" panel.

b) Annual variable compensation for 2024

The Chief Executive Officer's annual variable compensation for 2024 was determined based on the terms and conditions set out in the compensation policy approved by the shareholders at the Annual General Meeting of May 25, 2023, as described in section 6.6.2.2 of the 2023 Universal Registration Document.

Acting on the recommendation of the Appointments and Compensation Committee, on March 20, 2025 the Board of Directors set the amount of the Chief Executive Officer's annual variable compensation for 2024.

Based on the achievement levels of the applicable financial and individual objectives, the amount of Olivier Andriès' annual variable compensation for 2024 totals €1,171,667, representing 123.3% of his annual fixed compensation.

This amount reflects:

- An overall achievement rate of 101% for the portion related to the Group's financial performance (accounting for two-thirds of the variable compensation), for which the objectives related to:
 - recurring operating income (ROI) (60% weighting): 103% achievement;
 - free cash flow (FCF) (25% weighting): 105% achievement;
 - working capital, comprising the following components:
 - operating assets (Inventories) (10% weighting): 75% achievement, and
 - unpaid receivables (5% weighting): 102% achievement;
- An overall achievement rate of 108% for the portion related to individual quantitative and qualitative performance objectives (accounting for one-third of the variable compensation).

The table below summarizes the main rules applicable to the Chief Executive Officer's variable compensation for 2024 as well as the underlying performance objectives, the achievement rates and the related amounts.

2024 annual variable compensation for the Chief Executive Officer – Olivier Andriès – Results of operations

(payment subject to shareholders' approval at the 2025 Annual General Meeting)

The compensation policy for the Chief Executive Officer provides that his "target" variable compensation – i.e., the amount payable if the achievement rate is 100% for all of the financial and individual performance objectives – corresponds to 120% of his annual fixed compensation (the "Target").

If the Chief Executive Officer outperforms his objectives, his "maximum" variable compensation – i.e., the amount payable if the achievement rate is 130% for all of the financial and individual performance objectives – will represent a maximum of 150% of his annual fixed compensation (the "Cap").

- Target amount: €1,140,000, i.e., 120% of his fixed compensation if the achievement rate for all of the objectives is 100%.
- Maximum amount: €1,425,000, i.e., 150% of his fixed compensation if the achievement rate for all of the objectives is 130%.

Objectives	Weighting	Achievement rate*	Comments**
Financial performance objectives (quantitative financial objectives) (adjusted data)			
Accounting for 2/3 of the CEO's annual variable compensation (67%)			
1 Recurring operating income (ROI)	60%	61.8%	Objectives met or exceeded (outperformance) ■ ROI was €4,119 million, ahead of the 2024 budget (€4,000 million).
2 Free cash flow (FCF)	25%	26.25%	■ FCF was €3,353 million***, ahead of the 2024 budget (€3,200 million).
3 Working capital, comprising the following components:	15%	12.6%	■ Inventory turnover improved by 9 days at 131 days' sales (compared with an expected decrease of 20 days in the 2024 budget). ■ Unpaid receivables (late payments), not including intra-Group payments or payments due from the French State, amounted to €479 million (versus €489 million in the 2024 budget).
■ Operating assets (Inventories)	10%	7.5%	
■ Unpaid receivables (late customer payments)	5%	5.1%	
Sub-total (base: 100%)	100%	101%	(Potential range: 0% to 130%)
Amount (in €)		€766,333	Representing 121% of 2/3 of the CEO's reference fixed compensation of €950,000

* Corresponding to the relevant weighting multiplied by the achievement rate of the objective. For example, the ROI objective – which had a 60% weighting – was 106% (therefore corresponding to outperformance), so the overall achievement rate is 63.3% (i.e., 60 x 106%).

** The precise content of each of the individual objectives and the expected achievement rates for the quantitative objectives were precisely pre-determined and defined, but cannot be disclosed in further detail for confidentiality reasons in view of their strategic and competitive sensitivity.

*** Net of an exceptional item.

Objectives	Weighting	Achievement rate*	Comments**
Individual objectives (qualitative and quantitative individual performance objectives)*			
Accounting for 1/3 of the CEO's annual variable compensation (33%)			
1 Technological transition (quantitative)	20%	24%	Objective exceeded (outperformance) The action plans drawn up and implemented to help drive the Group's technological transition were completed and the objective was exceeded. For strategic reasons, the details of these action plans are not disclosed.
2 Technological and industrial evolution of the aircraft interiors businesses (qualitative and quantitative)	15%	15%	Objective achieved - Action plans were presented following an overhaul of the Aircraft Interiors portfolio. - The action plans for the Seats business were carried out and yielded the expected results. - For strategic reasons, the details of these action plans are not disclosed.
3 Expand and strengthen strategic partnerships (qualitative)	10%	8%	Objective partially achieved Partnerships were signed, but one identified partnership did not materialize in 2024. For strategic reasons, the details of this objective are not disclosed.
4 Communication plan for the economic impacts of the CFM56/LEAP business model transition (qualitative)	10%	12%	Objective exceeded (outperformance) The plan for transitioning from a business model based predominantly on sales of spare parts (CFM56) to one based on flight-hour service contracts (LEAP) was presented at the December 5, 2024 Capital Markets Day. The financial impacts up to 2040 were also presented.
5 Digital/Cybersecurity (qualitative and quantitative) Implement a Generative Artificial Intelligence (Gen AI) Adoption Plan	10%	11%	Objective exceeded (outperformance) Flagship projects designed to create value from our in-house knowledge bases were carried out using generative artificial intelligence in secure environments, then deployed in operations.
Implement a Cybersecurity Development Plan for specific industrial systems and complete the migration to the Safran Active Directory			- The complete overhaul of the critical components of user and administrator account management systems has been completed. - New detection systems have been installed at major industrial sites.
Continue to develop offshore centers of excellence			Our in-house IT and digital development center in India now has more than 1,000 people working exclusively for the application and infrastructure centers of excellence of companies that are mainly based in France.

Objectives	Weighting	Achievement rate*	Comments**
Individual objectives (qualitative and quantitative individual performance objectives)*			
Accounting for 1/3 of the CEO's annual variable compensation (33%)			
6 CSR & human capital (qualitative and quantitative)	5%	5%	Objectives met or exceeded (outperformance)
Safety: frequency rate of lost-time accidents maintained at the same level, amid the ramp-up in business			Safety: Despite a higher headcount, the frequency rate of lost-time accidents decreased from 2.1 to 1.9, outperforming the target which was 2.
HR: objectives related to increasing the number of women senior executives and developing talent in the industrial sector	10%	11%	Diversity & gender equality: The proportion of women senior executives increased by 2.5 points from 19.5% to 22%, outperforming the target. The action plan related to developing talent in the industrial sector was validated, as was the talent pool.
- Climate – Low-carbon - Implement new reporting requirements (in line with the CSRD) - Continue to take steps to achieve the action plan target to reduce Scope 1 and 2 CO₂ emissions by 30% by 2025 compared to 2018, aiming to complete 95% of the plan's actions by 2024. - Continue to take steps to achieve the target to reduce Scope 1 and 2 CO₂ emissions by 50% by 2030 compared to 2018, taking into account the Group's growth. - Ensure that the Group's sites become increasingly energy efficient, achieving the Energy Management System Gold Standard. - Pursue the Group's Energy Sobriety Plan to reduce its worldwide energy consumption by 10% in 2024 compared to 2019, taking into account the Group's growth. - Mobilize our suppliers to become more low-carbon, ensuring that our Top 400 suppliers have Scope 1 and 2 CO₂ emissions reduction targets and that they have communicated these. - Circular economy - Increase the recycling of titanium, with the target of returning 30% of potential titanium shavings to our suppliers	20%	22%	- Climate – Low-carbon - The objective has been achieved, with a governance structure put in place, the double materiality assessment carried out and the reporting plan approved. - The objective has been exceeded and outperformed, with 103% of the plan's actions achieved by the end of November 2024. - The objective has been achieved, with the signing of long-term renewable electricity purchase contracts (United States, Mexico, Poland, Malaysia, United Kingdom) and geothermal electricity contracts. - The Gold Standard objective has been achieved. - The objective has been exceeded, with an 11% reduction in energy consumption by the end of 2024 compared with 2019. - This objective has been met: 70% of our main suppliers achieved a C- score. - This objective has been met.
Sub-total (base: 100%)	100%	108%	(Potential range: 0% to 130%)
Amount (in €)		€405,334	Representing 128% of 1/3 of the CEO's reference fixed compensation of €950,000
TOTAL (in €)		€1,171,667	REPRESENTING 123.3% OF THE CEO'S REFERENCE FIXED COMPENSATION OF €950,000

* Corresponding to the relevant weighting multiplied by the achievement rate of the objective. For example, the ROI objective – which had a 60% weighting – was 103% (therefore corresponding to outperformance), so the overall achievement rate is 61.8% (i.e., 60 x 103%).

** The precise content of each of the individual objectives and the expected achievement rates for the quantitative objectives were precisely pre-determined and defined, but cannot be disclosed in further detail for confidentiality reasons in view of their strategic and competitive sensitivity.

Payment of the Chief Executive Officer's annual variable compensation for 2024 is subject to shareholders' approval at the Annual General Meeting of May 22, 2025.

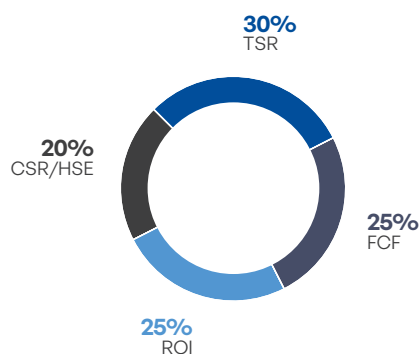
c) Long-term incentive plan (performance share grants)

Performance share grants in 2024

At its meeting on March 21, 2024, acting on the recommendation of the Appointments and Compensation Committee, the Board of Directors used the authorization granted by the shareholders in the 27th resolution of the May 25, 2023 Annual General Meeting to grant performance shares to certain Group managers and senior executives (see section 2.6.5.2.2 of the 2023 Universal Registration Document).

As part of this overall grant, the Board granted 7,675 performance shares to the Chief Executive Officer⁽¹⁾, representing less than 2% of the total number of performance shares granted, in compliance with the compensation policy approved at the 2023 Annual General Meeting.

The performance shares granted to the Chief Executive Officer are subject to the condition that he is still with the Group when the shares vest ("continuing service condition") and to the achievement of internal and external performance conditions (see section 2.6.5.2.2 for a summary), based on the following weightings:



The vesting period has been set at three years (2024-2026) and the number of shares that will ultimately vest will depend on the extent to which the applicable conditions are met over that period.

The vesting period will be followed by a one-year lock-up period.

The Board also confirmed that following this lock-up period and until his term of office ends, the Chief Executive Officer will be required to hold in registered form 40% of the vested performance shares delivered under this plan or any other plans until the number of shares he holds represents the equivalent of one year of his most recent annual fixed compensation. In addition, the Chief Executive Officer will be required to hold in registered form, until his term of office as Chief Executive Officer ends, a minimum of 500 of the vested performance shares delivered to him under this plan and any other plan under which he is granted performance shares during his term of office as Chief Executive Officer.

The accounting value of these performance shares, as measured at the grant date in accordance with IFRS 2 (see section 3.1, Note 2.r of this Universal Registration Document – i.e., March 21, 2024), corresponds to €1,139,876.

d) Directors' compensation for 2024

The Chief Executive Officer did not receive any compensation in his capacity as a Director for 2024, in accordance with the compensation policy described in section 2.6.2.2.g above.

e) Personal risk insurance plan

As decided by the Board of Directors on December 16, 2020, the Chief Executive Officer is a beneficiary of Safran's personal risk insurance plan set up in France for all Group managerial-grade staff (see section 2.6.2.2.j), subject to the same terms and conditions as the other plan members. The Chief Executive Officer was previously a beneficiary of this plan in his former capacity as a Company employee.

The corresponding expense recognized in the 2024 financial statements amounted to €8,248.56.

f) Supplementary pension system in 2024

No specific supplementary pension plan has been put in place for the Chief Executive Officer.

Defined contribution plans – PERO

In accordance with a decision taken by the Board of Directors on December 16, 2020, the Chief Executive Officer is a beneficiary of Safran's two defined contribution supplementary pension plans set up in France for all Group managerial-grade staff pursuant to Article 83 of the French Tax Code (the "Article 83 plans") and in force at January 1, 2018 (see section 2.6.2.2.i), subject to the same terms and conditions as the other plan members. The Chief Executive Officer was previously a beneficiary of these plans in his capacity as a Company employee. The Article 83 plans were replaced by the PERO plans on January 1, 2022 (see section 2.6.2.1.g).

The expenses recorded in the 2024 financial statements relating to the contributions paid for Ross McInnes under the PERO – Core Plan and the PERO – Additional Plan amounted to €13,678.56 and €15,996.96 respectively.

At December 31, 2024, the estimated theoretical amount⁽²⁾ of the annuities that could be paid to Olivier Andriès under the PERO – Core Plan and the PERO – Additional Plan amounted to €10,632.97 and €3,995.63 respectively.

"Article 82" defined contribution plan

In accordance with a decision taken by the Board of Directors on December 16, 2020, the Chief Executive Officer is a beneficiary of Safran's defined contribution supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 82 of the French Tax Code (the "Article 82 Plan"), subject to the same terms and conditions as the other plan beneficiaries (see section 2.6.2.2.i).

Under the Article 82 Plan, the Insurer Contribution and Additional Payment for the Chief Executive Officer for 2024 totaled €243,578.64 each (i.e., €487,157.28 altogether), corresponding in each case to 12.735% of his reference compensation (25.47% in total).

At December 31, 2024, the estimated theoretical amount⁽³⁾ of the annuity that could be paid to the Chief Executive Officer was €47,723.90.

(1) The number of performance shares granted to the Chief Executive Officer may not represent more than the equivalent of 120% of his annual fixed compensation, based on the accounting value (in accordance with IFRS 2; see section 3.1 Note 6.3.2 of this Universal Registration Document), as estimated at the grant date.

(2) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions (in accordance with Article D.22-10-16 of the French Commercial Code).

(3) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions (in accordance with Article D.22-10-16 of the French Commercial Code).

“Article 39” defined benefit plan (closed to new entrants and entitlements frozen)

The Chief Executive Officer was previously a beneficiary of Safran’s defined benefit supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 39⁽¹⁾ of the French Tax Code (the “Article 39 Plan”; see section 2.6.2.2.i), subject to the same terms and conditions as the other plan beneficiaries. Olivier Andriès was originally a beneficiary of this plan in his former capacity as a Company employee.

This plan was closed to new entrants and existing entitlements frozen as from December 31, 2016. The Article 82 defined contribution plan described in section 2.6.2.2.i was set up to compensate for this closure.

However, the Chief Executive Officer could still be eligible for the pension entitlement that he had accrued until December 31, 2016, provided the applicable terms and conditions are met.

At December 31, 2024, the estimated theoretical amount⁽²⁾ of the annuity that could be paid to Olivier Andriès corresponded to the cap set in the plan, i.e., €141,300 (corresponding to three times the annual social security ceiling [PASS], based on the 2025 value of the PASS).

g) Indemnities or benefits payable for the termination of office or a change in duties – Non-compete indemnities

The Chief Executive Officer is not eligible for any indemnities or benefits if his office is terminated or if there is a change in his duties. Similarly, he is not entitled to any non-compete indemnity.

h) Suspension of the Chief Executive Officer’s employment contract and related entitlements

On December 16, 2020, when Olivier Andriès was appointed Chief Executive Officer, the Board of Directors decided and placed on record that his employment contract with Safran entered into on March 1, 2008 would be suspended as from January 1, 2021 (see sections 2.4 and 2.6.2.2.i).

The Chief Executive Officer’s employment contract was therefore automatically suspended on the date he took up office. This Board decision is in line with the Group’s strategy of favoring internal promotion of talent wherever possible, which enables Safran to propose corporate officer positions to its senior executives who have the highest level of know-how, share and relay the Group’s culture and values, and have in-depth knowledge of its markets.

The entitlements attached to Olivier Andriès’ employment contract, as at the date of its suspension and based on a seniority of 12 years and 10 months, are as follows:

- When he ceases to serve as Chief Executive Officer and his employment contract resumes, on retirement he may be entitled to a retirement bonus pursuant to French labor law. In accordance with the applicable collective bargaining agreement (engineers and managerial-grade employees in the metallurgy industry), this retirement bonus would be calculated based on (i) his seniority within the Company (taking into account the years during which his employment contract was suspended when he was a corporate officer), and (ii) his annual compensation (based on a reference salary corresponding to the salary he was earning when his employment contract was suspended), adjusted based on a percentage corresponding to the average of the individual salary increases applied at Safran during the contract suspension period. For information purposes, at December 31, 2024 this retirement bonus amounted to €197,718.
- After his employment contract resumes when he ceases to serve as Chief Executive Officer and if the contract is then terminated by Safran, he may be entitled to a termination benefit pursuant to French labor law, as well as to a six-month notice period. In accordance with the collective bargaining agreement applicable to engineers and managerial-grade employees in the metallurgy industry, this retirement bonus would be calculated based on (i) his seniority within the Company (taking into account the years during which his employment contract was suspended when he was a corporate officer), and (ii) his compensation (based on a reference salary corresponding to the salary he was earning when his employment contract was suspended), adjusted based on a percentage representing the average of the individual salary increases applied at Safran during the contract suspension period. For information purposes, at December 31, 2024 this termination benefit amounted to €721,671.
- The payment of his paid vacation entitlements accrued and not taken prior to the suspension of his employment contract, adjusted based on a percentage corresponding to the average of the individual salary increases applied at Safran during the suspension period.
- An employee’s salary corresponding to (i) the fixed compensation he was earning in his capacity as an employee on the date his employment contract was suspended, adjusted based on a percentage corresponding to the average of the individual salary increases applied at Safran during the suspension period, plus (ii) annual variable compensation, whose target amount (i.e., if the applicable objectives are achieved) would represent 70% of his fixed compensation.

(1) Defined benefit plan meeting the conditions set out in Article L.137-II of the French Social Security Code.

(2) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions (in accordance with Article D.22-10-16 of the French Commercial Code).

2.6.3.3 Summary of the compensation of the Chairman and the Chief Executive Officer for 2024

2.6.3.3.1 Summary tables showing the individual compensation and benefits of the Chairman of the Board of Directors

The summary table based on the AMF/AFEP-MEDEF table no. 3 template is presented in section 2.6.4.1, “Compensation paid during or awarded for 2024 to the members of the Board of Directors.”

SUMMARY TABLE OF COMPENSATION, STOCK OPTIONS AND PERFORMANCE SHARES GRANTED TO THE CHAIRMAN OF THE BOARD OF DIRECTORS (AMF/AFEP-MEDEF TABLE NO. 1)

Summary of compensation, stock options and performance shares granted	2023	2024
Compensation allocated for the year (detailed in the table below) ⁽¹⁾	€493,311.61	€546,259.61
Value of multi-year variable compensation allocated during the year	N/A	N/A
Value of stock options granted during the year	N/A	N/A
Value of performance shares granted during the year	N/A	N/A
TOTAL	€493,311.61	€546,259.61

(1) Including €39,015 corresponding to the Additional Payment under the Article 82 defined contribution plan (see section 2.6.3.1.d).

SUMMARY TABLE OF THE INDIVIDUAL COMPENSATION AND BENEFITS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS (AMF/AFEP-MEDEF TABLE NO. 3)

Summary of compensation (gross)	2023		2024	
	Amounts allocated for the year	Amounts paid during the year	Amounts allocated for the year	Amounts paid during the year
Fixed compensation	€450,000	€450,000	€500,000	€500,000
Annual variable compensation	N/A	N/A	N/A	N/A
Multi-year variable compensation	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Directors' compensation	N/A	N/A	N/A	N/A
Benefits-in-kind ⁽¹⁾	€4,296.61	€4,296.61	€7,244.61	€7,244.61
Additional Payment provided for under a defined contribution supplementary pension plan	€39,015	€39,015	€39,015	€39,015
Other	N/A	N/A	N/A	N/A
TOTAL	€493,311.61	€493,311.61	€546,259.61	€546,259.61

(1) Company car.

2.6.3.3.2 Summary tables showing the individual compensation and benefits of the Chief Executive Officer

SUMMARY TABLE OF COMPENSATION, STOCK OPTIONS AND PERFORMANCE SHARES GRANTED TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 1)

Summary of compensation, stock options and performance shares granted	2023	2024
Compensation allocated for the year	€2,097,018.33 ⁽²⁾	€2,385,920.16
Value of multi-year variable compensation allocated during the year	N/A	N/A
Value of stock options granted during the year	N/A	N/A
Value of performance shares granted during the year ⁽¹⁾	€1,007,988.42	€1,139,875.65
TOTAL	€3,105,006.75	€3,525,795.81

(1) The value of the performance shares is estimated at the grant date in accordance with IFRS 2 (see section 3.1, Note 6.3.2 of this Universal Registration Document) and does not correspond to compensation received by the beneficiary during the year.

(2) Including €243,578.64 corresponding to the Additional Payment under the Article 82 defined contribution plan (see section 2.6.3.2.f).

SUMMARY TABLE OF THE COMPENSATION OF THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 2)

Summary of compensation (gross)	2023		2024	
	Amounts allocated for the year	Amounts paid during the year	Amounts allocated for the year	Amounts paid during the year
Fixed compensation	€840,000	€840,000	€950,000	€950,000
Annual variable compensation	€1,000,723	€1,072,671	€1,171,667	€1,000,723
Multi-year variable compensation	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Directors' compensation	N/A	N/A	N/A	N/A
Benefits-in-kind ⁽¹⁾	€26,782.37	€26,782.37	€20,674.52	€20,674.52
Additional Payment provided for under a defined contribution supplementary pension plan	€229,512.96	€229,512.96	€243,578.64	€243,578.64
TOTAL	€2,097,018.33	€2,168,966.33	€2,385,920.16	€2,214,976.16

(1) Company car and specific travel expenses.

SUMMARY TABLE OF MULTI-YEAR VARIABLE COMPENSATION ALLOCATED TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 10)

None.

SUMMARY TABLE OF PERFORMANCE SHARES GRANTED DURING 2024 TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 6)

	Plan no. and date	Number of shares granted	Value of shares	Vesting date	End of lock-up period	Performance conditions
Olivier Andriès	Board meeting of March 21, 2024	7,675	€1,139,876	March 20, 2027	March 23, 2028	All the shares are subject to the performance conditions described in section 2.6.5.2.1.

PERFORMANCE SHARES GRANTED TO THE CHIEF EXECUTIVE OFFICER AND WHICH WERE DELIVERED DURING 2024 (AMF/AFEP-MEDEF TABLE NO. 7)

	Plan no. and date	Total number of shares whose lock-up period ended
		0 ⁽¹⁾
Olivier Andriès	Board meeting of March 26, 2020	For the determination of the achievement rate of the 2020 Long-Term Incentive Plan, see section 6.6.4.2.4 of the 2022 Universal Registration Document

(1) 5,900 performance shares were granted to Olivier Andriès in his capacity as a salaried employee and member of the Executive Committee, prior to his appointment as Chief Executive Officer.

At its meeting on March 23, 2023, on the recommendation of the Appointments and Compensation Committee, the Board of Directors placed on record that the overall achievement rate for all of the plan's performance conditions was 0 for the Chief Executive Officer and Executive Committee members and 0 for the other beneficiaries.

The achievement levels for the performance conditions for the various categories of beneficiaries are detailed in section 6.6.5.2.4 of the 2022 Universal Registration Document.

PERFORMANCE SHARES GRANTED TO THE CHIEF EXECUTIVE OFFICER FOR WHICH THE LOCK-UP PERIOD ENDED SINCE JANUARY 1, 2025

	Plan no. and date	Total number of shares whose lock-up period ended
		8,692 ⁽¹⁾
Olivier Andriès	Board meeting of March 24, 2021	The conditions (lowest achievement level, target achievement level, highest achievement level) of the 2021 Long-Term Incentive Plan are presented in section 2.6.4.2 of the 2021 Universal Registration Document.

(1) 14,466 shares were granted to Olivier Andriès in his capacity as Chief Executive Officer.

At its meeting on March 21, 2024, on the recommendation of the Appointments and Compensation Committee, the Board of Directors placed on record that the overall achievement rate for all of the plan's performance conditions was 60.09% for the Chief Executive Officer and Executive Committee members and 68.67% for the other beneficiaries.

The achievement levels for the performance conditions for the various categories of beneficiaries are detailed in section 6.6.5.2.4 of the 2023 Universal Registration Document.

SUMMARY TABLE OF PERFORMANCE SHARES GRANTED TO THE CHIEF EXECUTIVE OFFICER (STILL IN VESTING PERIOD AT DECEMBER 31, 2024) (AMF/AFEP-MEDEF TABLE NO. 10)

Grantee	Plan no. and date	Total number of shares granted (currently in the vesting period)
Olivier Andriès	Board meeting of March 24, 2022	14,334
	Board meeting of March 23, 2023	10,721
	Board meeting of March 21, 2024	7,675
TOTAL		32,730

SUMMARY TABLE OF STOCK OPTIONS GRANTED IN 2024 TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 4)

None.

SUMMARY TABLE OF STOCK OPTIONS EXERCISED IN 2024 TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 5)

None.

SUMMARY TABLE OF STOCK OPTIONS GRANTED (AMF/AFEP-MEDEF TABLE NO. 8)

None.

SUMMARY TABLE OF PERFORMANCE SHARE PLANS AT DECEMBER 31, 2024 (AMF/AFEP-MEDEF TABLE NO. 9)

see section 2.6.5.2.3

SUMMARY TABLE OF EMPLOYMENT CONTRACTS, SUPPLEMENTARY PENSION PLANS AND TERMINATION BENEFITS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 11)

Name	Position	Employment contract	Supplementary pension plan	Indemnities or benefits payable for termination of office, change in duties, or non-compete agreements
Ross McInnes	Chairman of the Board of Directors	No ⁽¹⁾	Yes ⁽³⁾	No ⁽⁴⁾
Olivier Andriès	Chief Executive Officer	Yes, suspended ⁽²⁾	Yes ⁽³⁾	No ⁽⁴⁾

(1) Employment contract suspended from April 21, 2011 until May 23, 2019 and terminated on May 23, 2019, when the Chairman's term of office was renewed (see section 2.6.2.1.i).

(2) Employment contract suspended since January 1, 2021, the date on which he took up office as Chief Executive Officer (see sections 2.6.2.2.l and 6.4).

(3) No specific pension plans have been set up for the Chairman of the Board of Directors or the Chief Executive Officer. The Chairman and the Chief Executive Officer are beneficiaries under the Article 82 and PERO defined contribution supplementary pension plans set up for the Group's managerial-grade staff, subject to the same terms and conditions as the other plan members. They remain potential beneficiaries of the defined benefit supplementary pension plan (Article 39 plan) which has now been closed and whose benefit entitlements were frozen at December 31, 2016 (see sections 2.6.2.1.g and 2.6.2.2.i).

(4) See sections 2.6.2.1.j, 2.6.2.2.k and 2.6.2.2.l.

2.6.3.4 Pay ratios between the level of compensation of the Chairman and the Chief Executive Officer and the average and median compensation of Safran's employees

Compensation multiples (ratios between the compensation of the Chairman and the Chief Executive Officer and the average and median compensation of Safran's employees) and annual changes in compensation and Safran's performance as shown below.

This information forms part of the disclosure requirements of Article L.22-10-9 I of the French Commercial Code and, pursuant to Article L.22-10-34 of said Code, will be included in the overall Say-on-Pay resolution put to the shareholders' vote at the 2025 Annual General Meeting.

The Company has based its pay ratio reporting methods on the provisions of Article L.22-10-9 I of the French Commercial Code and on AFEF guidelines as updated in February 2021.

2.6.3.4.1 Calculation method and scope

The multiples shown have been calculated based on the following compensation and benefits paid or awarded: fixed compensation, annual variable compensation, the Additional Payment under the Article 82 defined contribution plan (see section 2.6.2.1.g), Directors' compensation, employee share ownership and long-term incentive plans (in the form of free performance share grants).

All of these compensation components refer to amounts paid during 2024, apart from the long-term incentive compensation which is valued at the grant date (corresponding to the grant-date fair value), for the years 2020 to 2024.

The compensation components included in the calculations are based on gross amounts, i.e., excluding employer contributions.

For any given year Y, only those employees who were continuously present are taken into account for the calculation, i.e., those who were with the Group for the whole of years Y-1 and Y.

In accordance with the applicable regulations, the scope used for calculating these pay ratios corresponds to Safran SA (France), a listed company and head of the Safran Group (around 1,400 employees, representing 3% of the Group's headcount in France at December 31, 2024).

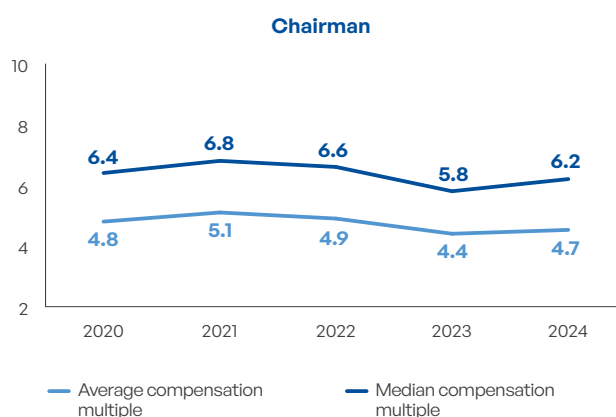
However, on a voluntary basis, the ratios have also been calculated for all Safran Group companies in France (representing, at December 31, 2024, an average of about 36,000 employees over the five-year period), as this scope is more representative, relevant and coherent, using comparable data for cost of living, compensation structure and the institutional framework.

2.6.3.4.2 Ratios for the Chairman of the Board of Directors

Details of the compensation and benefits of the Chairman of the Board of Directors for 2024 are set out in section 2.6.3.1.

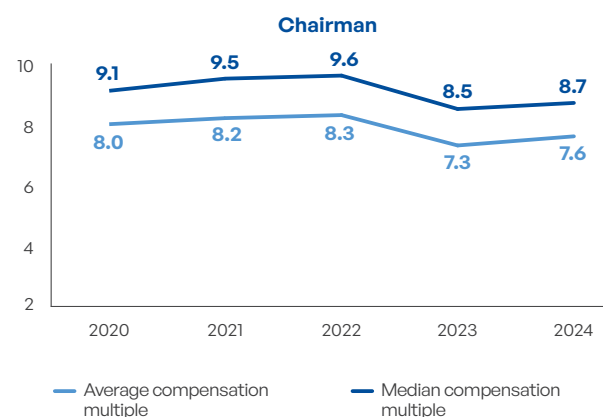
"Safran SA" scope

Compensation multiples for the past five years (Safran SA)



"Safran France" scope

Compensation multiples for the past five years (Safran France)



Observation:

The amounts used are those received by or awarded to Ross McInnes in his capacity as Chairman.

2.6.3.4.3 Ratios for the Chief Executive Officer

Details of the compensation and benefits of the Chief Executive Officer for 2024 are set out in section 2.6.3.2.

“Safran SA” scope

Compensation multiples for the past five years (Safran SA)



“Safran France” scope

Compensation multiples for the past five years (Safran France)



Observation:

The amounts used are those received or awarded solely in respect of the position of Chief Executive Officer in a given year, regardless of the person holding the office at the time.

The amounts paid or awarded in 2024 take into account:

- the fixed compensation paid to Olivier Andriès in 2024;
- the variable compensation for 2023 paid to Olivier Andriès in 2024;
- the shares granted to Olivier Andriès under the 2024 Long-Term Incentive Plan.

For 2020, Philippe Petitcolin was in the last year of his term of office as Chief Executive Officer and was not therefore granted any performance shares,

which explains the difference in the multiples between 2020 and 2021 (for both average and median compensation).

2.6.3.4.4 Annual changes in compensation and Safran's performance

The following table presents year-on-year changes in the Group's performance and in paid and awarded compensation and benefits.

	2020	2021	2022	2023	2024
COMPENSATION RATIO TABLE FOR THE CHAIRMAN					
Year-on-year change (in %) in compensation	0%	-9%	+9%	0%	+11%
INFORMATION FOR THE "SAFRAN SA" SCOPE					
Year-on-year change (in %) in employees' average compensation	-3%	-14%	+13%	+12%	+3%
Year-on-year change (in %) in employees' median compensation	+3%	-14%	+11%	+13%	+4%
Ratio in relation to employees' average compensation	4.8	5.1	4.9	4.4	4.7
Year-on-year change (in %) in the ratio based on average compensation	+3%	+5%	-4%	-10%	+7%
Ratio in relation to employees' median compensation	6.4	6.8	6.6	5.8	6.2
Year-on-year change (in %) in the ratio based on median compensation	-3%	+6%	-2%	-12%	+7%
ADDITIONAL INFORMATION FOR THE "SAFRAN GROUP FRANCE" SCOPE					
Year-on-year change (in %) in employees' average compensation	0%	-11%	+8%	+14%	+6%
Year-on-year change (in %) in employees' median compensation	0%	-13%	+8%	+13%	+8%
Ratio in relation to employees' average compensation	8	8.2	8.3	7.3	7.6
Year-on-year change (in %) in the ratio based on average compensation	0%	+3%	0%	-12%	+4%
Ratio in relation to employees' median compensation	9.1	9.5	9.6	8.5	8.7
Year-on-year change (in %) in the ratio based on median compensation	+1%	+4%	+1%	-11%	+2%
PERFORMANCE OF SAFRAN					
Financial criterion: Adjusted profit attributable to owners of the parent					
Year-on-year change (in %) ⁽¹⁾	-68%	-10%	+55%	+72%	+51%

(1) Over the past five years, changes in the Group's profit have reflected a series of non-recurring events that make each year-on-year comparison atypical. These include the Covid-19 pandemic in 2020 and 2021, followed by a difficult macro-economic context when air traffic resumed in 2022 (supply chain constraints, inflation and cessation of activities in Russia). Recurring operating income rose steadily until 2019 before coming to a halt in 2020 due to the Covid-19 pandemic. The Covid-19 crisis severely disrupted the Group's businesses, with both original equipment and services impacted by the stark decline in air traffic and airline companies' financial difficulties.

	2020	2021	2022	2023	2024
COMPENSATION RATIO TABLE FOR THE CHIEF EXECUTIVE OFFICER					
Year-on-year change (in %) in compensation	-32%	+5%	+40%	+9%	+6%
INFORMATION FOR THE “SAFRAN SA” SCOPE					
Year-on-year change (in %) in employees’ average compensation	-3%	-14%	+13%	+12%	+3%
Year-on-year change (in %) in employees’ median compensation	+3%	-14%	+11%	+13%	+4%
Ratio in relation to employees’ average compensation	19.2	23.2	28.8	28.0	28.7
Year-on-year change (in %) in the ratio based on average compensation	-30%	+21%	+24%	-3%	+3%
Ratio in relation to employees’ median compensation	25.5	31	39	37.5	38.1
Year-on-year change (in %) in the ratio based on median compensation	-34%	+22%	+26%	-4%	+2%
ADDITIONAL INFORMATION FOR THE “SAFRAN GROUP FRANCE” SCOPE					
Year-on-year change (in %) in employees’ average compensation	0%	-11%	+8%	+14%	+6%
Year-on-year change (in %) in employees’ median compensation	0%	-13%	+8%	+13%	+8%
Ratio in relation to employees’ average compensation	32	37.8	48.8	46.8	46.4
Year-on-year change (in %) in the ratio based on average compensation	-32%	+18%	+29%	-4%	-1%
Ratio in relation to employees’ median compensation	36.4	43.7	56.7	54.5	53.4
Year-on-year change (in %) in the ratio based on median compensation	-32%	+20%	+30%	-4%	-2%
PERFORMANCE OF SAFRAN					
Financial criterion: Adjusted profit attributable to owners of the parent					
Year-on-year change (in %) ⁽¹⁾	-68%	-10%	+55%	+72%	+51%

(1) Over the past five years, changes in the Group’s profit have reflected a series of non-recurring events that make each year-on-year comparison atypical. These include the Covid-19 pandemic in 2020 and 2021, followed by a difficult macro-economic context when air traffic resumed in 2022 (supply chain constraints, inflation and cessation of activities in Russia). Recurring operating income rose steadily until 2019 before coming to a halt in 2020 due to the Covid-19 pandemic. The Covid-19 crisis severely disrupted the Group’s businesses, with both original equipment and services impacted by the stark decline in air traffic and airline companies’ financial difficulties.

2.6.4 Compensation of the members of the Board of Directors

Article 17 of Safran's bylaws provides for the payment of compensation to Directors for the duties they perform. The rules for allocating this compensation are set by the Board of Directors. These rules are included in the compensation policy for Directors which is put to an *ex-ante* shareholder vote each year at the Annual General Meeting.

When implementing the allocation rules, the Board of Directors also sets the amounts of fixed and variable compensation payable per meeting. These amounts are provided for information purposes in the compensation policy for Directors.

The Directors' compensation policy for 2024 was approved at the May 25, 2024 Annual General Meeting and is set out in section 6.6.2.3 of the 2023 Universal Registration Document.

In accordance with this policy and the per-meeting amounts set by the Board, at its meeting on December 19, 2024 the Board decided the individual allocations for 2024, as shown in the table below.

2.6.4.1 Summary table of compensation paid to the members of the Board of Directors (AMF/AFEP-MEDEF table no. 3)

	Amount of compensation (in €)				% variable compensation ⁽⁵⁾
	2023		2024		
	Gross amount	Net amount paid in 2024 ⁽¹⁾	Gross amount	Net amount paid in 2025 ⁽¹⁾	
NON-EXECUTIVE DIRECTORS					
Anne Aubert ⁽²⁾	58,800.00	48,686.40	65,032.26	53,846.71	72.66%
Marc Aubry (Director until May 23, 2024) ⁽²⁾	95,550.00	79,115.40	40,516.13	33,547.35	77.75%
Hélène Auriol Potier	95,550.00	66,885.00	88,258.06	61,780.65	77.33%
Patricia Bellinger	75,075.00	65,465.40	102,774.19	89,619.10	79.18%
Fabrice Brégier (Director since May 25, 2023)	37,275.00	26,092.50	82,451.61	57,716.13	76.41%
Hervé Chaillou (Director until November 19, 2023) ⁽²⁾	73,395.00	60,771.06	-	-	-
Jean-Lou Chameau (Director until May 25, 2023)	53,025.00	37,117.50	-	-	-
Monique Cohen	92,400.00	64,680.00	102,193.55	71,535.48	79.11%
Christèle Debarenne-Fievet (Director since December 19, 2022)	79,800.00	66,074.40	82,451.61	68,269.94	76.41%
Pascale Dosda (Director since May 23, 2024) ⁽²⁾	-	-	36,129.03	29,914.84	72.66%
Laurent Guillot	130,000.00	91,000.00	128,903.23	90,232.26	81.46%
Ivan Hardouin (Director since November 20, 2023) ⁽²⁾	6,405.00	5,303.34	94,064.52	77,885.42	78.14%
Fabienne Lecorvaisier	90,300.00	63,210.00	88,258.06	61,780.65	77.33%
Patrick Pélata	108,150.00	75,705.00	130,000.00	91,000.00	83.19%
Robert Peugeot	90,300.00	63,210.00	76,645.16	53,651.61	75.35%
Sophie Zurquiyah (Director until February 28, 2023)	11,655.00	8,158.50	-	-	-
Total compensation paid to non-executive Directors excluding the representative of the French State and the Director put forward by the French State	1,097,680.00	821,474.50	1,117,677.42	840,780.13	78.21%
Stéphanie Besnier (until February 17, 2023) ⁽³⁾	16,905.00	16,905.00	-	-	-
Céline Fornaro (from February 17, 2023) ⁽³⁾	94,395.00	94,395.00	117,290.32	117,290.32	80.57%
Alexandre Lahousse ⁽⁴⁾	74,550.00	74,550.00	65,032.26	65,032.26	72.66%
Total compensation paid to the representative of the French State and to the Director put forward by the French State	185,850.00	185,850.0	182,322.58	182,322.58	77.75%
Total compensation paid to non-executive Directors	1,283,530.00	1,007,324.50	1,300,000.00	1,023,102.71	78.14%
CHAIRMAN AND CHIEF EXECUTIVE OFFICER					
Ross McInnes	-	-	-	-	-
Olivier Andriès	-	-	-	-	-
Total compensation paid to the Chairman and the Chief Executive Officer	-	-	-	-	-
TOTAL COMPENSATION PAID TO MEMBERS OF THE BOARD OF DIRECTORS	1,283,530.00	1,007,324.50	1,300,000.00	1,023,102.71	78.14%

(1) After deducting (i) 17.2% for social security contributions and the 12.8% tax payment on account applicable for individuals domiciled in France for tax purposes, and (ii) the 12.8% tax payment on account for the Director domiciled in the United States for tax purposes.

(2) As the Directors representing employees and the Directors representing employee shareholders requested that their compensation be paid over to their trade union, these amounts were exempt from tax.

(3) Director representing the French State.

(4) Director put forward by the French State.

(5) Calculated based on the gross amounts awarded for 2024.

2.6.4.2 Compensation in 2024 of Directors representing employee shareholders and Directors representing employees

Anne Aubert, who has been a Director representing employee shareholders since May 28, 2020, received €111,552 in gross annual compensation (fixed and variable) in 2024 under her employment contract with Safran Seats. She also received profit-sharing on the same basis and under the same terms and conditions as the other employees of the Group's companies. At December 31, 2024, the estimated theoretical amount⁽¹⁾ of the annuity that could be paid to Anne Aubert under the defined contribution supplementary pension plan of which she is a beneficiary (PERO – Core Plan) was €316.70.

Marc Aubry, who was a Director representing employee shareholders until May 23, 2024, received €90,698 in gross annual compensation (fixed and variable) in 2024 under his employment contract with Safran Aircraft Engines. He also received profit-sharing on the same basis and under the same terms and conditions as the other employees of the Group's companies. At December 31, 2024, the estimated theoretical amount⁽¹⁾ of the annuity that could be paid to Ivan Hardouin under the defined contribution supplementary pension plan of which he is a beneficiary (PERO – Core Plan) was €2,198.85.

Christèle Debarenne-Fievet, who has been a Director representing employees since December 19, 2022, received €82,307 in gross (fixed and variable) compensation in 2024 under her employment contract with Safran Aircraft Engines. She also received profit-sharing on the same basis and under the same terms and conditions as the other employees of the Group's

companies. At December 31, 2024, the estimated theoretical amount⁽¹⁾ of the annuity that could be paid to Christèle Debarenne-Fievet under the defined contribution supplementary pension plan of which she is a beneficiary (PERO – Core Plan) was €775.96.

Pascale Dosda, who has been a Director representing employees since May 23, 2024, received €123,189 in gross (fixed and variable) compensation in 2024 under her employment contract with Safran Aircraft Engines. She also received profit-sharing on the same basis and under the same terms and conditions as the other employees of the Group's companies. At December 31, 2024, the estimated theoretical amount⁽¹⁾ of the annuity that could be paid to Christèle Debarenne-Fievet under the defined contribution supplementary pension plan of which she is a beneficiary (PERO – Core Plan) was €3,159.24.

Ivan Hardouin, who has been a Director representing employees since November 20, 2023, received €85,179 in gross (fixed and variable) compensation in 2024 under his employment contract with Safran Landing Systems. He also received profit-sharing on the same basis and under the same terms and conditions as the other employees of the Group's companies. At December 31, 2024, the estimated theoretical amount⁽¹⁾ of the annuity that could be paid to Ivan Hardouin under the defined contribution supplementary pension plan of which he is a beneficiary (PERO – Core Plan) was €979.26.

2.6.5 Long-term incentive plan

2.6.5.1 Stock options

No stock options were granted during 2024.

There are currently no stock options outstanding.

When the merger of Zodiac Aerospace into Safran was completed on December 1, 2018, Safran took over from Zodiac Aerospace with respect to all of the obligations resulting from the commitments given by Zodiac Aerospace to holders of Zodiac Aerospace stock options outstanding at the merger

completion date. Consequently, the outstanding Zodiac Aerospace stock options are now exercisable for ordinary Safran shares, based on the exchange ratio used for the merger. The stock option plan in effect until February 12, 2023 is described in section 7.3.7.3 of the 2023 Universal Registration Document. Neither the Chairman nor the Chief Executive Officer hold any of stock options under this plan.

2.6.5.2 Performance shares⁽²⁾

Free performance share grants are a common method used by companies in order to strengthen the motivation and teamwork of beneficiaries and foster their loyalty, while at the same time aligning their interests with those of the Company and its shareholders.

Unchanged performance conditions

The same performance conditions were applied to the performance share plans from when the plans were first set up in 2016 up until 2022, when a CSR criterion was added.

Level of achievement of performance conditions for performance share plans

Despite the global health and economic crisis in 2020, no adjustments have been made to the plans' performance conditions, in line with the Company's policy of strictly adhering to the plans' terms and conditions.

Plan date	Vesting date	Level of achievement of plans for the Chief Executive Officer	Level of achievement of plans for the Executive Committee members	Level of achievement of plans for the other beneficiaries
March 26, 2020	March 27, 2023	0%	0%	0%
March 24, 2021	March 26, 2024	60.09%	60.09%	68.67%
March 24, 2022	March 25, 2025	96.86%	96.27%	95.68%

⁽¹⁾ Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions.

⁽²⁾ ESRS 2 GOV 3 - Integration of sustainability-related performance in incentive schemes.

2.6.5.2.1 Performance share grants in 2024

In the 27th resolution of the May 25, 2023 Annual General Meeting, the Company's shareholders authorized the Board of Directors to grant performance shares to (i) employees or certain categories of employees of the Company and/or of other entities in the Group, and/or (ii) executive corporate officers of the Company and/or of other entities in the Group (excluding the Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law.

The shareholders gave full powers to the Board of Directors to decide on the individual beneficiaries or categories of beneficiaries of the grants.

The total number of performance shares granted could not exceed 0.4% of the Company's capital as at the date on which the Board of Directors decides to make the share grants (main ceiling), or two-thirds of this percentage in any given fiscal year (sub-ceiling).

In addition, it was specified that, for each grant of performance shares, the maximum number of shares granted to each of the Company's corporate officers could not exceed 5% of the total number of shares making up the grant (representing a sub-ceiling of 0.01% of the Company's capital per corporate officer per fiscal year).

Acting on the recommendation of the Appointments and Compensation Committee, at its March 21, 2024 meeting, the Board of Directors decided to grant 435,388 performance shares to certain Group managers and senior executives under the 2024 Long-Term Incentive Plan, which is designed to recognize their contributions to the Group's operating performance and the creation of shareholder value, as measured over a period of several years.

The shares granted were either new shares or existing shares previously bought back by the Company.

The grants decided by the Board of Directors have the following characteristics and conditions:

Conditions

The vesting of all of the free shares is subject to the achievement of internal and external performance conditions, which are similar for all beneficiaries and are assessed over three full consecutive fiscal years, including 2024 – the year when the performance shares were granted. Beneficiaries of the grants are also subject to a continuing service condition within the Group.

Standard internal conditions applying to all beneficiaries

These standard internal performance conditions count for at least 70% of the total for all beneficiaries and are based on the Group's financial and economic performance as well as its non-financial performance.

Financial and economic performance

The two financial and economic performance conditions are based on:

- ROI (adjusted recurring operating income, as defined in section 1.5.2);
- FCF (free cash flow, as defined in section 1.5.3),

each counting for half of the weighting assigned to these two conditions.

The achievement levels for these conditions will be measured based on comparisons with each reference target approved by the Board of Directors prior to the grant date (the "Reference Target") as described below. The following levels have been set:

- lowest achievement level: if 80% of the Reference Target is achieved, 40% of the shares contingent on that target will vest;
- target achievement level: if 100% of the Reference Target is achieved, 80% of the shares contingent on that target will vest;
- highest achievement level (cap): if 125% of the Reference Target is achieved, 100% of the shares contingent on that target will vest;
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the non-financial performance condition concerned will vest.

Based on the Group's medium-term plan (MTP), the Reference Target set by the Board of Directors for this grant is the average of the ROI and FCF targets set in (i) the budget contained in the MTP for the fiscal year in which the grant took place (2024) and (ii) the MTP for the following two fiscal years (2025 and 2026).

The performance criteria will be measured by comparing results against a same-scope reference base. If an entity is deconsolidated, the reference bases used for past grants will be adjusted to exclude the amounts related to the deconsolidated entity for the years concerned. For the first performance share grant after a new entity has been consolidated, additional performance conditions may be added. Past grants would continue to be measured, whenever possible, based on the previous scope of consolidation (i.e., not including the newly-consolidated entity).

Non-financial performance

The overall weighting of the non-financial performance conditions is 20% for the 2024 Long-Term Incentive Plan. There are three conditions, concerning (i) an environment and climate objective (reducing Scopes 1 & 2 CO₂ emissions compared with 2018, for 10%); (ii) a gender equality objective (increasing the proportion of women among Safran's senior executives, for 5%) and (iii) a safety objective (maintaining the frequency rate of lost-time accidents at the same level, for 5%).

The purpose, weightings, terms and conditions, references and parameters of the conditions are as follows:

- The first "environment and climate" condition concerns the reduction of the Group's Scope 1 and 2 CO₂ emissions.⁽¹⁾

The target is to achieve a 34% reduction compared with 2018 emissions (the reference year) at the end of the three-year performance period⁽²⁾. This condition counts for 10% of the overall conditions.

The achievement rate for this condition will be measured between September 30, 2025 and September 30, 2026, based on comparisons with the reference (2018 emissions – Scopes 1 & 2), with the following levels set:

- lowest achievement level: if emissions are reduced by 32% compared to the reference, 40% of the shares contingent on this condition will vest,
- target achievement level: if emissions are reduced by 34% compared to the reference, 80% of the shares contingent on this condition will vest,

(1) Scope 1: direct greenhouse gas emissions linked to the combustion of energy sources such as gas, liquefied petroleum gas and aviation fuel as well as refrigerant emissions during the production phases at Safran sites. / Scope 2: indirect emissions linked to the consumption of energy, electrical power or heating/cooling at Safran sites.

(2) The rate is measured to two decimal places and rounded mathematically to the nearest hundredth.

- highest achievement level (cap): if emissions are reduced by 35% compared to the reference, 100% of the shares contingent on this condition will vest;
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the non-financial performance condition concerned will vest.
- The second condition relating to “gender equality” concerns the increase in the proportion of women among the Group’s senior managers.⁽¹⁾

The target is to increase the proportion to 24% by the end of the three-year performance period, from 19.5% at the end of 2023. This condition counts for 5% of the overall conditions.

The achievement rate⁽²⁾ for this condition will be measured at December 31, 2026, with the following levels set:

- target achievement level: if the proportion is increased to 24%, 80% of the shares contingent on this condition will vest.
The target achievement level will also constitute the lowest achievement level. Below the target achievement level, none of the shares contingent on this condition will therefore vest;
- highest achievement level (cap): if the proportion is increased to 25%, 100% of the shares contingent on this condition will vest;
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion.
- The third condition relating to “safety” concerns the frequency rate of lost-time accidents at Group level.⁽³⁾

The target is to bring the rate to 2.0 at the end of the three-year performance period at the end of 2026 (compared to 2.0 at the end of 2023), amid the ramp-up in business. This condition counts for 5% of the overall conditions.

The achievement rate⁽⁴⁾ for this condition will be measured at December 31, 2026, with the following levels set:

- lowest achievement level: if the frequency rate of lost-time accidents is 2.2, 40% of the shares contingent on this condition will vest;
- target achievement level: if the frequency rate of lost-time accidents is maintained at 2.0, 80% of the shares contingent on this condition will vest;
- highest achievement level (cap): if the frequency rate of lost-time accidents is reduced to 1.9, 100% of the shares contingent on this condition will vest;
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Above the lowest achievement level, none of the shares contingent on the non-financial performance condition will vest.

External performance condition

The external performance condition counts for at least 10% of the total conditions. It is based on Safran’s total shareholder return (TSR) as measured relative to a composite index allowing simultaneous comparison with the European market, the US market and the benchmark index for the French market.

This composite index is made up of:

- the STOXX® Europe TMI Aerospace & Defense Index (Stoxx A&D Net Return);

- the S&P Aerospace & Defense Industry Select index (S&P A&D);
- the CAC 40 index (CAC 40 Gross Return).

Each of these three indices counts for one-third of the composite index.

The following achievement levels have been set for this condition:

- lowest achievement level: if Safran’s TSR is equal to that of the peer companies, 40% of the shares contingent on the external performance condition will vest;
- target achievement level: if Safran’s TSR is 8 points higher than that of the peer companies, 80% of the shares contingent on the external performance condition will vest;
- highest achievement level (cap): if Safran’s TSR is 12 points higher than that of the composite index, 100% of the shares contingent on the external performance condition will vest;
- between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the non-financial performance condition will vest.

Vesting and lock-up periods

The shares granted are subject to a three-year vesting period as set by the Board of Directors.

In addition, the shares granted to the Chief Executive Officer and members of Safran’s Executive Committee are subject to a lock-up period of at least one year following their vesting date.

As stipulated in the Board of Directors’ Internal Rules, the Chief Executive Officer is required to hold in registered form a proportion of his vested shares, as set by the Board of Directors, until his term of office as Chief Executive Officer ends.

In addition, each beneficiary has given a formal undertaking not to hedge the risks related to the shares granted to them until those shares become freely transferable (i.e., at the end of either the vesting period or the lock-up period set by the Board of Directors, depending on the beneficiary concerned).

Performance share grants to Olivier Andriès, Chief Executive Officer

Under the 2024 Long-Term Incentive Plan, 7,675 shares were granted to the Chief Executive Officer, Olivier Andriès (see section 2.6.3.2.c).

2.6.5.2.2 2025 allocation

In the 27th resolution of the May 25, 2023 Annual General Meeting, the Company’s shareholders authorized the Board of Directors to grant performance shares to (i) employees or certain categories of employees of the Company and/or of other entities in the Group, and/or (ii) executive corporate officers of the Company and/or of other entities in the Group (excluding the Chairman of the Company’s Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law.

The shareholders gave full powers to the Board of Directors to decide on the individual beneficiaries or categories of beneficiaries of the grants.

(1) Senior manager: Group employee whose position is classified as such in the corresponding categories (“bands”) of Safran’s directory of positions (including positions on the Group Executive Committee).

(2) The rate is measured to two decimal places and rounded mathematically to the nearest hundredth.

(3) Number of accidents per million hours worked.

(4) The rate is measured to two decimal places and rounded mathematically to the nearest hundredth.

The total number of performance shares granted could not exceed 0.4% of the Company's capital as at the date on which the Board of Directors decides to make the share grants (main ceiling), or two-thirds of this percentage in any given fiscal year (sub-ceiling).

In addition, it was specified that, for each grant of performance shares, the maximum number of shares granted to each of the Company's corporate officers could not exceed 5% of the total number of shares making up the grant (representing a sub-ceiling of 0.01% of the Company's capital per corporate officer per fiscal year).

Acting on the recommendation of the Appointments and Compensation Committee, at its March 20, 2025 meeting, the Board of Directors decided to grant 383,369 performance shares to certain Group managers and senior executives under the 2025 Long-Term Incentive Plan, which is designed to recognize their contributions to the Group's operating performance and the creation of shareholder value, as measured over a period of several years.

The shares granted could either be new shares or existing shares previously bought back by the Company.

The grants decided by the Board of Directors have the following characteristics and conditions:

Conditions

The vesting of all of the free shares is subject to the achievement of internal and external performance conditions, which are similar for all beneficiaries and are assessed over three full consecutive fiscal years, including 2025 – the year when the performance shares were granted. Beneficiaries of the grants are also subject to a continuing service condition within the Group.

Standard internal conditions applying to all beneficiaries

These standard internal performance conditions count for at least 70% of the total for all beneficiaries and are based on the Group's financial and economic performance as well as its non-financial performance.

Financial and economic performance

The financial and economic performance conditions count for at least 50% and are based equally on ROI and FCF.

Based on the Group's medium-term plan (MTP), the Reference Target set by the Board of Directors for this grant is the average of the ROI and FCF targets set in (i) the budget contained in the MTP for the fiscal year in which the grant took place (2025) and (ii) the MTP for the following two fiscal years (2026 and 2027).

Performance (lowest achievement level, target achievement level, highest achievement level) will be measured in the same way and according to the same parameters as the 2024 grant (see section 2.6.5.2.1).

Non-financial performance

The overall weighting of the non-financial performance conditions is 20% for the 2025 Long-Term Incentive Plan. There are three conditions, concerning (i) an environment and climate objective (reducing Scopes 1 & 2 CO₂ emissions compared with 2018, for 10%); (ii) a gender equality objective (increasing the proportion of women among Safran's senior executives, for 5%) and (iii) a safety objective (maintaining the frequency rate of lost-time accidents at the same level, for 5%).

The purpose, weightings, terms and conditions, references and parameters of the conditions are as follows:

■ The first "environment and climate" condition concerns the reduction of the Group's Scope 1 and 2 CO₂ emissions.⁽¹⁾

The target is to achieve a 40% reduction compared with 2018 emissions (the reference year) at the end of the three-year performance period. This condition counts for 10% of the overall conditions.

The achievement rate⁽²⁾ for this condition will be measured between September 30, 2026 and September 30, 2027, based on comparisons with the reference (2018 emissions – Scopes 1 & 2), with the following levels set:

- lowest achievement level: if emissions are reduced by 38% compared to the reference, 40% of the shares contingent on this condition will vest;
- target achievement level: if emissions are reduced by 40% compared to the reference, 80% of the shares contingent on this condition will vest;
- highest achievement level (cap): if emissions are reduced by 41% compared to the reference, 100% of the shares contingent on this condition will vest;
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the non-financial performance condition concerned will vest.

■ The second condition relating to "gender equality" concerns the increase in the proportion of women among the Group's senior managers.⁽³⁾

The target is to increase the proportion to 27% by the end of the three-year performance period, from 22% at the end of 2024. This condition counts for 5% of the overall conditions.

The achievement rate⁽⁴⁾ for this condition will be measured at December 31, 2027, with the following levels set:

- target achievement level: if the proportion is increased to 27%, 80% of the shares contingent on this condition will vest.
- The target achievement level will also constitute the lowest achievement level. Below the target achievement level, none of the shares contingent on this condition will vest;
- highest achievement level (cap): if the proportion is increased to 28%, 100% of the shares contingent on this condition will vest;
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion.

(1) Scope 1: direct greenhouse gas emissions linked to the combustion of energy sources such as gas, liquefied petroleum gas and aviation fuel as well as refrigerant emissions during the production phases at Safran sites. / Scope 2: indirect emissions linked to the consumption of energy, electrical power or heating/cooling at Safran sites.

(2) The rate is measured to two decimal places and rounded mathematically to the nearest hundredth.

(3) Senior manager: Group employee whose position is classified as such in the corresponding categories ("bands") of Safran's directory of positions (including positions on the Group Executive Committee).

(4) The rate is measured to two decimal places and rounded mathematically to the nearest hundredth.

■ The third condition relating to “safety” concerns the frequency rate of lost-time accidents at Group level.⁽¹⁾

The target is to bring the rate to 1.9 at the end of the three-year performance period at the end of 2027 (compared to 2.0 at the end of 2024), amid the ramp-up in business. This condition counts for 5% of the overall conditions.

The achievement rate⁽²⁾ for this condition will be measured at December 31, 2027, with the following levels set:

- lowest achievement level: if the frequency rate of lost-time accidents is 1.94, 40% of the shares contingent on this condition will vest,
- target achievement level: if the frequency rate of lost-time accidents is maintained at 1.9, 80% of the shares contingent on this condition will vest,
- highest achievement level (cap): if the frequency rate of lost-time accidents is reduced to 1.8, 100% of the shares contingent on this condition will vest,
- between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Above the lowest achievement level, none of the shares contingent on the non-financial performance condition will vest.

External performance condition

The external performance condition counts for at least 10% of the total conditions. It is based on Safran’s total shareholder return (TSR) as measured relative to a composite index allowing simultaneous comparison with the European market, the US market and the benchmark index for the French market.

The composite index for the 2025 grant is the same as that used for the 2024 grant and the performance achievement levels set for this condition are identical to those for the 2024 grant (see section 2.6.5.2.1).

Vesting and lock-up periods

The shares granted are subject to a three-year vesting period as set by the Board of Directors.

In addition, the shares granted to the Chief Executive Officer and members of Safran’s Executive Committee are subject to a lock-up period of at least one year following their vesting date.

As stipulated in the Board of Directors’ Internal Rules, the Chief Executive Officer is required to hold in registered form a proportion of his vested shares, as set by the Board of Directors, until his term of office as Chief Executive Officer ends.

In addition, each beneficiary has given a formal undertaking not to hedge the risks related to the shares granted to them until those shares become freely transferable (i.e., at the end of either the vesting period or the lock-up period set by the Board of Directors, depending on the beneficiary concerned).

Performance share grants to Olivier Andriès, Chief Executive Officer

Under the 2025 Long-Term Incentive Plan, 6,540 shares were granted to the Chief Executive Officer, Olivier Andriès (see section 2.6.2.2.d).

⁽¹⁾ Number of accidents per million hours worked.

⁽²⁾ The rate is measured to two decimal places and rounded mathematically to the nearest hundredth.

2.6.5.2.3 Summary table of performance share plans at December 31, 2024 (AMF/AFEP-MEDEF table no. 9)

	2018 Plan – July 24, 2018	2019 Plan – March 27, 2019	2020 Plan – March 26, 2020	2021 Plan – March 24, 2021	2022 Plan – March 24, 2022	2023 Plan – March 23, 2023	2024 Plan – March 21, 2024
Shareholder authorization	May 25, 2018	May 25, 2018	May 23, 2019	May 23, 2019	May 26, 2021	May 26, 2021	May 25, 2023
Grant date by the Board of Directors	July 24, 2018	March 27, 2019	March 26, 2020	March 24, 2021	March 24, 2022	March 23, 2023	March 21, 2024
Number of performance shares granted	574,712	732,130	759,360	733,640	784,171	799,866	436,816
■ Of which to corporate officers (in office at the grant date)	13,600	13,350	0	14,466	14,334	10,721	7,675
■ Of which to Olivier Andriès, Chief Executive Officer in office since January 1, 2021	5,900 ⁽¹⁾	5,900 ⁽¹⁾	5,900 ⁽¹⁾	14,466	14,334	10,721	7,675
■ Of which to the ten employees (non-corporate officers) who received the most shares	61,713	57,200	59,000	58,886	59,000	52,048	34,467
Number of beneficiaries at the grant date	440	589	797	764	969	1,127	942
Vesting date	July 26, 2021	March 29, 2022	March 24, 2023	March 25, 2024	March 25, 2025	March 24, 2026	March 22, 2027
■ Availability date	July 26, 2021	March 29, 2022	March 27, 2023	March 26, 2024	March 26, 2025	March 25, 2026	March 23, 2027
■ Availability date for the Chief Executive Officer (end of lock-up period)	July 27, 2022	March 30, 2023	March 26, 2024	March 27, 2025	March 26, 2026	March 25, 2027	March 23, 2028
■ Availability date for other Executive Committee members	July 27, 2022 ⁽²⁾	March 30, 2023 ⁽²⁾	March 26, 2024 ⁽²⁾	March 27, 2025	March 26, 2026	March 25, 2027	March 23, 2028
Performance conditions	See section 6.6.4.2 of the 2018 Universal Registration Document ⁽³⁾	See section 6.6.2.2 of the 2019 Universal Registration Document ⁽⁴⁾	See sections 6.6.2.2 and 6.6.4.2 of the 2020 Universal Registration Document ⁽⁴⁾	See sections 6.6.2.2.d and 6.6.4.2.1 of the 2021 Universal Registration Document ⁽⁵⁾	See sections 6.6.2.2.d and 6.6.5.2.1 of the 2022 Universal Registration Document ⁽⁵⁾	See sections 6.6.2.2.d and 6.6.5.2.1 of the 2023 Universal Registration Document ⁽⁵⁾	See sections 2.6.2.2.d and 2.6.5.2.1 of this Universal Registration Document ⁽⁵⁾
Total number of shares canceled or forfeited	83,755	615,671	757,200 ⁽⁶⁾	70,364	51,400	38,148	8,461
Number of performance shares vested at December 31, 2024	490,957	116,459	2,160 ⁽⁷⁾	2,080 ⁽⁷⁾	1,920 ⁽⁷⁾	0	0
Number of performance shares outstanding at December 31, 2024	0	0	0	0	730,851	761,718	428,355

(1) Granted to Olivier Andriès before he was appointed Chief Executive Officer.

(2) Date on which the shares became available to Olivier Andriès, member of the Executive Committee, Chief Executive Officer since January 1, 2021.

(3) As well as the standard internal performance conditions (ROI and FCF, counting for 45%, 70% or 80% of the total vested shares depending on the beneficiary), additional performance conditions have been added, applicable to a certain category of beneficiaries involved in integrating Zodiac Aerospace (including the Chief Executive Officer). These additional conditions count for 25%, reducing the weighting of the standard conditions to 45%. The external condition (counting for 30% or 20% of the total vested shares depending on the beneficiary) is based on Safran's TSR compared with that of a composite index comprising three indices (each counting for one third): STOXX® Europe TMI Aerospace & Defense (Stoxx A&D Net Return), S&P Aerospace & Defense Industry Select (S&P A&D) and CAC 40 (CAC 40 Gross Return).

(4) Two internal conditions (ROI and FCF, together counting for 70% or 80% of the total vested shares depending on the beneficiary) and one external condition (counting for 30% or 20% depending on the beneficiary) based on Safran's TSR compared with a composite index comprising three indices (each counting for one-third): STOXX® Europe TMI Aerospace & Defense (Stoxx A&D Net Return), S&P Aerospace & Defense Industry Select (S&P A&D) and CAC 40 (CAC 40 Gross Return).

(5) Internal conditions (ROI, FCF, and objectives based on the environment and climate, gender equality and safety, together counting for at least 70% of the total vested shares) and one external condition (counting for between 10% and 30% depending on the beneficiary) based on Safran's TSR compared with a composite index comprising three indices (each counting for one third): STOXX® Europe TMI Aerospace & Defense (Stoxx A&D Net Return), S&P Aerospace & Defense Industry Select (S&P A&D) and CAC 40 (CAC 40 Gross Return).

(6) As indicated in section 6.6.5.2.4 of the 2022 Universal Registration Document, at its meeting of March 23, 2023, the Board of Directors noted that the performance conditions attached to the 2020 Long-Term Incentive Plan had not been met. No shares were delivered to the beneficiaries under this plan, including the Chief Executive Officer (apart from to the heirs of employees who passed away during the vesting period).

(7) Shares delivered to the heirs of employees who passed away during the vesting period.

2.6.5.2.4 2022 Long-Term Incentive Plan – Determination of the achievement rate at the end of the performance measurement period

At its meeting on March 24, 2022, the Board of Directors decided to award 14,334 performance shares to Olivier Andriès under the 2022 Long-Term Incentive Plan.

The number of performance shares to be delivered at the end of the three-year vesting period depended on the extent to which internal financial and economic (ROI and FCF) and non-financial (environment and climate, gender equality, safety) and external (TSR) performance conditions were met over the 2022-2024 period.

At its meeting on March 20, 2025, on the recommendation of the Appointments and Compensation Committee, the Board of Directors noted that the overall achievement rate for all of the Plan's performance conditions was 96.86% for the Chief Executive Officer, 96.27% for Executive Committee members and 95.68% for the other beneficiaries, corresponding to:

- recurring operating income (ROI) (25% weighting for the Chief Executive Officer, 30% for Executive Committee members and 35% for the other beneficiaries): 112.1% achievement, representing a vesting rate of 89.7% for the shares contingent on this condition;
- free cash flow (FCF) (25% weighting for the Chief Executive Officer, 30% for Executive Committee members and 35% for the other beneficiaries): 123.2% achievement, representing a vesting rate of 98.6% for the shares contingent on this condition;
- a 45% reduction in the Group's Scope 1 and 2 carbon emissions, representing a vesting rate of 100% for the shares contingent on this condition (10% weighting for the Chief Executive Officer, the Executive Committee members and the other beneficiaries);

- an increase in the proportion of women senior executives, with a target of 22% by December 31, 2024, representing a vesting rate of 100% for the shares contingent on this condition (5% weighting for the Chief Executive Officer, the Executive Committee members and the other beneficiaries);
- a frequency rate of lost-time accidents at Group level of 1.94 in 2024, representing a vesting rate of 96% for the shares contingent on this condition (5% weighting for the Chief Executive Officer, the Executive Committee members and the other beneficiaries);
- Safran's total shareholder return (TSR) (30% weighting for the Chief Executive Officer, 20% for the Executive Committee members and 10% for the other beneficiaries): 46.9 points higher than that of the peer companies, meaning that none of the shares contingent on this condition will vest.

Consequently, an aggregate 697,732 shares vested and will be delivered to the beneficiaries of the 2022 Plan, including 13,883 to Olivier Andriès, the Chief Executive Officer.

2.6.5.2.5 Potential dilutive impact of securities carrying rights to shares of the Company

Based on the Company's share capital comprising 423,632,587 shares at December 31, 2024, if shares were to be issued for all of the rights to performance shares granted to the Chief Executive Officer and not yet vested, i.e., a total of 24,936 shares (10,721 shares under the 2023 Long-Term Incentive Plan, 7,675 shares under the 2024 Long-Term Incentive Plan and 6,540 shares under the 2025 Long-Term Incentive Plan), this would result in a maximum potential dilution of the Company's share capital of 0.005%.



3

FINANCIAL STATEMENTS

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3.1	GROUP CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2024	187	3.3	PARENT COMPANY FINANCIAL STATEMENTS AT DECEMBER 31, 2024	262
	Income statement	187		Parent company income statement at December 31, 2024	262
	Statement of comprehensive income	188		Parent company balance sheet at December 31, 2024	263
	Consolidated statement of financial position	189		Parent company statement of cash flows	264
	Statement of changes in shareholders' equity	190		Notes to the parent company financial statements	265
	Consolidated statement of cash flows	191			
	Notes to the Group consolidated financial statements	193	3.4	STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS	289
3.2	STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS	256	3.5	OTHER INFORMATION	293
				Supplier and customer payment periods	293
				Non-deductible expenses	293
				Dividends	294
				Five-year financial summary of the Company	294

FOREWORD

In accordance with Article 19 of Regulation (EU) No. 2017/1129 of the European Parliament and of the Council, the following information is incorporated by reference in this Registration Document:

- The consolidated and parent company financial statements for the year ended December 31, 2021 and the corresponding audit reports as presented in sections 3.2 and 3.4 of the 2021 Universal Registration Document filed with the AMF on March 31, 2022 under number D.22-0217; the consolidated financial statements were prepared in accordance with IFRS as adopted by the European Union.
- The consolidated and parent company financial statements for the year ended December 31, 2022 and the corresponding audit reports as presented in sections 3.2 and 3.4 of the 2022 Universal Registration Document filed with the AMF on March 31, 2023 under number D.23-0209; the consolidated financial statements were prepared in accordance with IFRS as adopted by the European Union.

Those sections of the 2021 and 2022 Universal Registration Documents that are not incorporated by reference in this document are either considered no longer pertinent for investors or are dealt with in another section of the 2023 Universal Registration Document.

3.1 GROUP CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2024

The Board of Directors' meeting of February 13, 2025 adopted and authorized the publication of Safran's consolidated financial statements and adjusted income statement for the year ended

December 31, 2024. These consolidated financial statements will only be considered as final after their adoption by the Annual General Meeting of May 22, 2025.

Income statement

(in € millions)	Note	2023	2024
Revenue	5.1	23,651	27,716
Other income	5.2.1	474	438
Income from operations		24,125	28,154
Change in inventories of finished goods and work-in-progress		1,000	989
Capitalized production		480	526
Raw materials and consumables used	5.2.2	(14,072)	(15,960)
Personnel costs	5.2.3	(6,767)	(7,801)
Taxes		(308)	(337)
Depreciation, amortization and increase in provisions, net of use	5.2.4	(1,282)	(1,578)
Asset impairment	5.2.5	(50)	18
Other recurring operating income and expenses		84	39
Share in profit from joint ventures	6.1.5	99	136
Recurring operating income		3,309	4,186
Other non-recurring operating income and expenses	5.2.6	(511)	6
Profit from operations		2,798	4,192
Cost of net debt		112	157
Foreign exchange gain (loss)		1,850	(5,180)
Other financial income and expense		(4)	(28)
Financial income (loss)	5.3	1,958	(5,051)
Profit (loss) before tax		4,756	(859)
Income tax benefit (expense)	5.4	(1,236)	284
Profit (loss) for the period		3,520	(575)
Attributable to:			
■ owners of the parent		3,444	(667)
■ non-controlling interests		76	92
Earnings (loss) per share attributable to owners of the parent (in €)	5.5		
Basic earnings (loss) per share		8.24	(1.60)
Diluted earnings (loss) per share		8.07	(1.60)

The accompanying notes are an integral part of the consolidated financial statements.

Statement of comprehensive income

(in € millions)	Note	2023	2024
Profit (loss) for the period		3,520	(575)
Other comprehensive income			
Items to be reclassified to profit (loss)		(184)	366
Translation adjustments		(140)	315
Remeasurement of hedging instruments		(22)	(10)
Income tax related to components of other comprehensive income to be reclassified to profit		5	3
Share in other comprehensive income of equity-accounted companies to be reclassified to profit (net of tax)	6.1.5	(27)	58
Items not to be reclassified to profit (loss)		(63)	16
Actuarial gains and losses on post-employment benefits	6.4.2	(86)	22
Income tax related to components of other comprehensive income not to be reclassified to profit		19	(6)
Share in other comprehensive income of equity-accounted companies not to be reclassified to profit (net of tax)		4	-
Other comprehensive income (expense) for the period		(247)	382
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD		3,273	(193)
Attributable to:			
■ owners of the parent		3,198	(290)
■ non-controlling interests		75	97

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated statement of financial position

ASSETS

<i>(in € millions)</i>	Note	Dec. 31, 2023	Dec. 31, 2024
Goodwill	6.1.1	4,706	4,937
Intangible assets	6.1.1	7,830	7,947
Property, plant and equipment	6.1.2	4,121	4,629
Right-of-use assets	6.1.4	582	653
Non-current financial assets	6.1.6	997	1,073
Investments in equity-accounted companies	6.1.5	1,928	1,894
Non-current derivatives (positive fair value)	6.5	-	4
Deferred tax assets	5.4	1,122	2,349
Other non-current financial assets		7	3
Non-current assets		21,293	23,489
Current financial assets	6.2.4	270	243
Current derivatives (positive fair value)	6.5	1,577	952
Inventories and work-in-progress	6.2.1	7,903	9,491
Contract costs	6.2.1	753	884
Trade and other receivables	6.2.3	9,417	10,572
Contract assets	6.2.2	2,157	2,503
Tax assets	5.4	422	364
Cash and cash equivalents	6.5.1	6,676	6,514
Current assets		29,175	31,523
TOTAL ASSETS		50,468	55,012

EQUITY AND LIABILITIES

<i>(in € millions)</i>	Note	Dec. 31, 2023	Dec. 31, 2024
Share capital	6.3	85	85
Consolidated reserves and retained earnings	6.3	8,048	10,758
Profit for the period		3,444	(667)
Equity attributable to owners of the parent		11,577	10,176
Non-controlling interests		511	549
Total equity		12,088	10,725
Provisions	6.4.1	1,547	1,835
Borrowings subject to specific conditions	6.5.4	292	287
Non-current interest-bearing financial liabilities	6.5.2	4,691	3,788
Non-current derivatives (negative fair value)	6.5	8	15
Deferred tax liabilities	5.4	1,022	911
Other non-current financial liabilities	6.1.6	43	11
Non-current liabilities		7,603	6,847
Provisions	6.4.1	1,064	1,173
Current interest-bearing financial liabilities	6.5.2	1,608	988
Trade and other payables		8,097	9,802
Contract liabilities	6.2.2	15,029	16,421
Tax liabilities	5.4	104	105
Current derivatives (negative fair value)	6.5	4,735	8,803
Other current financial liabilities	6.2.4	140	148
Current liabilities		30,777	37,440
TOTAL EQUITY AND LIABILITIES		50,468	55,012

The accompanying notes are an integral part of the consolidated financial statements.

Statement of changes in shareholders' equity

(in € millions)	Share capital	Additional paid-in capital	Treasury shares	Remeasurement of hedging instruments	Translation adjustments	Consolidated reserves and retained earnings	Actuarial gains and losses on post-employment benefits	Profit (loss) for the period	Other	Equity attributable to owners of the parent	Non-controlling interests	Total equity
At December 31, 2022	85	4,688	(310)	23	668	7,658	(208)	(2,459)	266	10,411	455	10,866
Comprehensive income (expense) for the period	-	-	-	(22)	(168)	-	(80)	3,444	24 ^(a)	3,198	75	3,273
Acquisitions/disposals of treasury shares	-	-	(1,538)	-	-	5	-	-	-	(1,533)	-	(1,533)
Dividends	-	-	-	-	-	(564)	-	-	-	(564)	(19)	(583)
Other movements, including appropriation of profit	-	-	-	-	-	(2,459)	-	2,459	65 ^(b)	65	-	65
At December 31, 2023	85	4,688	(1,848)	1	500	4,640	(288)	3,444	355	11,577	511	12,088
Comprehensive income (expense) for the period	-	-	-	(10)	368	-	22	(667)	(3) ^(a)	(290)	97	(193)
Acquisitions/disposals of treasury shares	-	-	(508)	-	-	(42)	-	-	-	(550)	-	(550)
Dividends	-	-	-	-	-	(911)	-	-	-	(911)	(59)	(970)
Treasury shares delivered through conversion of 2027 OCEANE bonds	-	-	1,201	-	-	(177)	-	-	-	1,024	-	1,024
Increase/decrease in share capital	-	(750)	-	-	-	-	-	-	-	(750)	-	(750)
Other movements, including appropriation of profit	-	-	-	-	-	3,444	-	(3,444)	76 ^(b)	76	-	76
At December 31, 2024	85	3,938	(1,155)	(9)	868	6,954	(266)	(667)	428	10,176	549	10,725

(a) Other comprehensive income for 2024 (attributable to owners of the parent) includes a negative tax impact of €3 million, of which €6 million arising on actuarial losses and €3 million on foreign exchange gains (positive impacts of €18 million and €6 million, respectively, in 2023).

(b) Including a share-based payment expense (IFRS 2) net of tax amounting to €79 million in 2024 (€66 million in 2023).

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated statement of cash flows

(in € millions)	Note	2023	2024
I. CASH FLOW FROM OPERATING ACTIVITIES			
Profit (loss) attributable to owners of the parent		3,444	(667)
Depreciation, amortization, impairment and provisions	7.1	1,433	1,691
Share in profit/loss from equity-accounted companies (net of dividends received)	6.1.5	(83)	(120)
Change in fair value of currency and interest rate derivatives	6.5	(2,161)	4,684
Capital gains and losses on asset disposals		344	(47)
Profit attributable to non-controlling interests		76	92
Other	7.1	459	(907)
Cash flow from operations, before change in working capital		3,512	4,726
Change in working capital	7.1	758	7
TOTAL I		4,270	4,733
II. CASH FLOW USED IN INVESTING ACTIVITIES			
Capitalization of R&D expenditure	6.1.1	(323)	(328)
Payments for the purchase of intangible assets, net		(179)	(172)
Payments for the purchase of property, plant and equipment, net		(823)	(1,044)
Payments for the acquisition of investments or businesses, net	7.2	(328)	(344)
Proceeds arising from the sale of investments or businesses, net	7.2	151	113
Proceeds (payments) arising from the sale (acquisition) of financial assets, net	7.2	(202)	(73)
Other movements		-	-
TOTAL II		(1,704)	(1,848)
III. CASH FLOW USED IN FINANCING ACTIVITIES			
Change in share capital – owners of the parent		2	-
Change in share capital – non-controlling interests		-	-
Acquisitions and disposals of treasury shares	6.3.1	(1,535)	(1,320)
Repayment of borrowings and long-term debt	7.3	(311)	(863)
Increase in borrowings	6.5.2	17	56
Change in repayable advances	6.5.4	(5)	(21)
Change in short-term borrowings	6.5.2	(161)	45
Dividends and interim dividends paid to owners of the parent	6.3.4	(564)	(911)
Dividends paid to non-controlling interests		(19)	(59)
TOTAL III		(2,576)	(3,073)
Effect of changes in foreign exchange rates	TOTAL IV	(1)	26
Net increase (decrease) in cash and cash equivalents	I+II+III+IV	(11)	(162)
Cash and cash equivalents at beginning of period		6,687	6,676
Cash and cash equivalents at end of period	6.5.1	6,676	6,514
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(11)	(162)

The accompanying notes are an integral part of the consolidated financial statements.

The Group's net debt position is as follows:

<i>(in € millions)</i>	Dec. 31, 2023	Dec. 31, 2024
Cash and cash equivalents (A)	6,676	6,514
Interest-bearing financial liabilities (B)	6,299	4,776
Fair value of interest rate derivatives used as fair value hedges of borrowings (C)	(3)	-
NET FINANCIAL POSITION (A) - (B) + (C)	374	1,738

The Group's gearing ratio is shown below:

<i>(in € millions)</i>	Dec. 31, 2023	Dec. 31, 2024
Net debt	374	1,738
Total equity	12,088	10,725
GEARING RATIO	-3.09%	-16.21%

Notes to the Group consolidated financial statements

TABLE OF CONTENTS

NOTE 1	Basis of preparation of the financial statements	194	NOTE 5	Notes to the income statement	204
NOTE 2	Scope of consolidation	197	NOTE 6	Notes to the balance sheet	211
NOTE 3	Significant events of the year	200	NOTE 7	Notes to the cash flow statement	245
NOTE 4	Segment information and adjusted data	201	NOTE 8	Additional information	246
			NOTE 9	List of key consolidated companies	252

The consolidated financial statements include the accounts of Safran SA ("the Company") and its subsidiaries ("the Group"), as well as the Group's interests in equity-accounted companies (associates and joint ventures).

Safran SA, the Group's parent company, is a *société anonyme* (joint-stock corporation) incorporated in France with a Board of Directors, listed on Compartment A of the Euronext Paris Eurolist market. The Company is headquartered at 2, boulevard du Général Martial Valin, 75015 Paris, France.

Safran is an international high-technology group, operating in the aviation (propulsion, equipment and aircraft interiors), defense and space markets.

On February 13, 2025, the Board of Directors approved the consolidated financial statements for the year ended December 31, 2024 and authorized their publication. These consolidated financial statements will only be considered as final after their adoption by the Annual General Meeting of May 22, 2025.

The audit procedures on the consolidated financial statements have been completed. The Statutory Auditors' report will be issued at the end of the Board of Directors' March 20, 2025 meeting, after the specific verifications have been completed and any subsequent events at February 13, 2025 have been reviewed.

Unless otherwise indicated, amounts are expressed in millions of euros. As a general rule, amounts presented in the consolidated financial statements and accompanying notes are rounded to the nearest whole number. As a result, there may be minor discrepancies between the rounded amounts and the totals, subtotals and percentages shown.

NOTE 1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1.1 Accounting policies

Pursuant to European regulation no. 1606/2002 of July 19, 2002, the consolidated financial statements for the year ended December 31, 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) at the date the consolidated financial statements were approved by the Board of Directors.

They include IFRS, International Accounting Standards (IAS), and associated interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

The Group's specific application of material accounting principles is discussed at the beginning of each note to the consolidated financial statements.

1.2 Change of accounting framework

1.2.1 New IFRS standards and amendments

Standards and amendments adopted by the European Union and effective for reporting periods as of January 1, 2024

Amendments to IAS 1	Classification of Liabilities as Current and Non-current and Non-current Liabilities with Covenants
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

These amendments had no impact on the Group's consolidated financial statements at December 31, 2024.

Standards and amendments published by the IASB but not yet adopted by the European Union as of December 31, 2024 or not yet effective as of January 1, 2024

The IASB has published the following standards and amendments:

		Effective date
Amendments to IAS 21	Lack of Exchangeability	January 1, 2025
Annual Improvements to IFRS Accounting Standards – Volume 11	IFRS annual improvements process (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 1, 2026 ⁽¹⁾
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026 ⁽¹⁾
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027 ⁽¹⁾
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027 ⁽¹⁾

⁽¹⁾ Subject to adoption by the European Union.

Safran is currently assessing the impact of IFRS 18 on the presentation of its consolidated financial statements.

The Group does not expect any material impact from applying the other standards and amendments presented above.

1.2.2 Changes in the legislative framework

None.

1.2.3 Changes in legal interpretation

None.

1.3 Basis of measurement

The financial statements are prepared on a historical cost basis except for certain assets and liabilities, as allowed by IFRS.

1.4 Main sources of uncertainty as regards management estimates and judgments

The preparation of financial statements in accordance with the IFRS conceptual framework requires Group management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities, income and expenses, along with the measurement of commitments given and contingent liabilities.

These estimates are based on the Group's past experience and factor in the economic conditions prevailing at the end of the reporting period and any information available as of the date of preparation of the financial statements of a contractual or commercial nature.

These estimates also take into account the Group's plans in terms of carbon neutrality as approved by the Science-Based Targets Initiative (SBTi) in early 2023 and, in particular, the achievement of carbon emissions reduction targets on Scopes 1 and 2 by 2030 and of absolute greenhouse gas (GHG) emissions reduction targets on Scope 3 by 2035, contributing to the overall objective of net zero emissions in the aviation industry by 2050.

In the absence of standards or interpretations applicable to a specific transaction, Group management uses judgment to define and apply the accounting methods that will enable it to obtain relevant and reliable information for the preparation of the financial statements.

Volatility is high and visibility poor in the current period. Accordingly, certain future events and circumstances could result in actual events differing from those expected, or to changes in estimates or assumptions that would affect the Group's financial position, income statement and/or cash flows.

The main estimates, judgments and assumptions of a material nature used by the Group in preparing the financial statements for the year ended December 31, 2024 are outlined below:

- cash flow forecasts for programs, contracts (business plans) and business segments.

The assumptions applied and resulting estimates used for programs and contracts cover periods that are sometimes very long (up to several decades), and take into account the technological, commercial and contractual constraints as well as the impacts of the climate strategy of each such program and contract.

These estimates primarily draw on assumptions about the volumes, output and selling prices of products sold and associated production costs, including inflation assumptions. They also take account of exchange rates for foreign-currency denominated sales and purchases, as well as

contingencies that arise from contractual risks and forecast cost overruns and the discount rate adopted for each program and contract.

The Group's volume assumptions are prepared internally for each market in which Group companies are present (e.g., commercial, business and military aviation, helicopters, etc.). For short-term estimates, these assumptions are based on available inputs (programs, orders, etc.), while external inputs (publications, airframer press releases, IATA announcements, market surveys, etc.) are used for estimates covering the medium to long term. The assumptions are regularly revised, particularly those used for short-term estimates, in order to reflect the latest developments in the Group's programs, and all assumptions used for medium- to long-term forecasts are validated by management at least once a year.

Cash flow forecasts are used to determine the following:

- measurement of the recoverable amount of non-current assets as part of impairment tests, including goodwill, program assets, development expenditure and other (see Note 6.1 "Non-current assets");
- capitalization of development expenditure (see Note 6.1.1 "Goodwill and other intangible assets");
- measurement of the recoverable amounts of investments in equity-accounted companies (see Note 6.1.5 "Investments in equity-accounted companies");
- measurement of revenue and profit (loss) on completion of performance obligations for which revenue is recognized on a percentage-of-completion basis using the cost-to-cost method (see Note 5.1 "Revenue");
- measurement of provisions and contract liabilities relating to performance warranties, losses on completion, losses arising on delivery commitments, and other liabilities under sales contracts (see Note 5.1 "Revenue" and Note 6.4.1 "Overview of provisions");
- fair value measurement of purchase price components and intangible assets acquired as part of a business combination (see Note 2.1.1 "Accounting policies");
- the assumptions used to measure pension and other post-employment benefit obligations and share-based payment plans (see Note 6.3.2 "Share-based payment" and Note 6.4.2 "Analysis of pension and other post-employment benefit obligations");
- measurement of provisions for disputes and litigation (see Note 8.4 "Disputes and litigation").

1.5 Main accounting impacts of climate change

The Group is fully committed to the Paris Agreement on climate and the goal of keeping the increase in the Earth's average temperature below 2°C and preferably below 1.5°C by the end of the century compared with pre-industrial levels.

The Group's integration of climate issues into its strategy includes topics related to the transition to a low-carbon model, and climate change adaptation.

1.5.1 Measurement of assets

The air traffic growth assumptions used by management in the Group's medium-term business plan and strategy (3.2% growth in average annual revenue passenger kilometers [RPK] over the next 20 years) take into account environment-related constraints in different regions (impact of the use of sustainable aviation fuels and of higher taxes on ticket prices, changes in consumer behavior owing to increased environmental concerns – especially in Europe, a decline in business travel, and the occurrence of periods of extreme weather) that could slow down air traffic growth.

The depreciation periods of the main programs (including technological assets) take into account decarbonization initiatives and have not been revised.

1.5.2 Property, plant and equipment – Sustainable investments

The Group invests in the production of renewable energy for its own needs.

- New wind and solar power plants were commissioned in 2024. Solar power generation facilities in France correspond in substance to power purchase agreements. These agreements are accounted for within property, plant and equipment and payables on the acquisition of non-current assets in relation to a deferred investment, and are depreciated over their useful life. Services provided in relation to these facilities are recognized within operating expenses.
- The Group has continued to introduce alternatives to natural gas for heating, such as geothermal energy and the electrification of certain assets (furnaces).
- Investments have been made to improve the energy performance of buildings.

1.5.3 Financial assets

Safran Corporate Ventures, Safran's investment subsidiary, is stepping up its investments in line with the Group's strategic priorities, including decarbonization.

Its investments are mainly in startups developing disruptive technologies.

In 2024, Safran Corporate Ventures participated in a funding round to support French startup Estuaire in further developing its flight data analysis platform to help airlines and airports minimize CO₂ and non-CO₂ emissions in a cost-effective way. Safran Corporate Ventures also acquired stakes in entities whose businesses contribute to its climate change goals, including for example United Airlines Ventures.

Safran has committed to investing in an investment fund specializing in carbon offsetting, generating both a financial return and voluntary carbon credits. It will invest USD 25 million, with the initiatives planned in this area expected to generate a reduction of almost 900 ktCO₂ over 15 years.

The first funding round was completed in the second half of 2024 for USD 4 million. At December 31, 2024, the remainder of this investment (USD 21 million) was classified as an off-balance sheet commitment.

In all, 80% of the carbon credits will come from carbon sequestration projects (mainly reforestation) and 20% from projects to reduce deforestation.

In view of this carbon offset project based on natural solutions (better forest management, reforestation, regenerative agriculture), the Group expects to receive its first carbon credits around 2028.

1.5.4 Liabilities and commitments received

On March 4, 2021, Safran signed a €500 million loan agreement with the European Investment Bank (EIB), which was drawn down in full on February 21, 2022 for ten years (maturing in February 2032). The loan is being used to finance some of the Group's research into innovative propulsion systems for the next generation of single-aisle commercial aircraft, marking a major step forward in Safran's roadmap towards achieving carbon free air transportation by 2050.

On May 4, 2022 Safran set up a €2 billion revolving credit facility (RCF), with an original maturity of May 2027, that was undrawn at December 31, 2024. Following the exercise of the two one-year extension options, the maturity has been extended to May 2029.

The financial terms and conditions of the liquidity line are indexed to the achievement by the Group of two sustainable development criteria: CO₂ emissions (Scopes 1 and 2) and the proportion of women among senior executives.

1.5.5 Operating expenses

Signature of Power Purchase Agreements

The Group has entered into agreements to procure clean energy (Scope 2), providing either for physical delivery of electricity (Power Purchase Agreement, or PPA) or no physical delivery but a cash settlement based on the difference between the contract price and the market price (Virtual Power Purchase Agreement, or VPPA).

These agreements were analyzed in order to determine their appropriate accounting treatment in light of IFRS 9, IFRS 10, IFRS 11 and IFRS 16.

- Safran determined that PPAs should be accounted for as simple agreements to procure power for its own use (application of the "own use" exemption provided for under IFRS 9);
- Safran has set up two Virtual Power Purchase Agreements, accounted for as financial instruments falling within the scope of IFRS 9 and recognized at fair value upon signature (see Note 6.5.8 "Management of risks on Power Purchase Agreements");
- The value of these contracts was not material at Group level.

Substitution of natural gas

Safran is accelerating the introduction of alternatives to natural gas for heating, such as connecting to heat networks. In 2024, several projects were commissioned, including connections to district heating networks in the Dijon and Le Havre metropolitan areas in France.

Research and Technology

In 2021, the Group undertook to contribute to the overall target of net zero emissions in the aviation sector by 2050 (an industry goal adopted by commercial aviation stakeholders through the Air Transport Action Group [ATAG]).

Research and technology (R&T) is a major outlay for the Group, which aims to allocate at least 75% of its self-funded R&T expenditure to environmental efficiency. In 2024, gross R&T expenditure amounted to around €875 million.

Compensation policy

In recent years, the Group's commitment to decarbonization has been reinforced by the inclusion of sustainable development goals in the criteria applied to short- and medium-term executive compensation and new profit-sharing agreements in French entities.

Internal carbon pricing

In 2020, Safran introduced an internal carbon price to assess and select its investment projects in the form of a shadow price of USD 80/t CO₂, in order to swing decisions in favor of solutions including decarbonization initiatives. This price was raised to USD 175/tCO₂ at the beginning of 2025 to ensure that it remains in line with the latest regulatory and economic developments. The price, which is used for the economic valuation of investments, does not give rise to any financial flows and has no impact on the financial statements.

NOTE 2 SCOPE OF CONSOLIDATION

2.1 Basis of consolidation

2.1.1 Accounting policies

The Group's consolidated financial statements include all subsidiaries, joint operations, joint ventures and associates when their contribution to certain consolidated indicators is material or when their business is strategic for the Group.

The consolidated companies prepared their financial statements at December 31, 2024 in accordance with the accounting principles applied by the Group. A list of consolidated companies is provided in Note 9 "List of consolidated companies".

Investments in associates and joint ventures are shown on the balance sheet under "Investments in equity-accounted companies".

In the income statement, the Group's share in the net earnings or losses of equity-accounted companies is shown separately under a specific line item, "Share in profit from joint ventures".

Balance sheet and income statement items for joint operations are consolidated line-by-line.

2.1.2 Foreign currency translation methods

Translation of foreign currency financial statements

The Group's consolidated financial statements are presented in euros.

Assets and liabilities of foreign subsidiaries are translated at year-end exchange rates, while income statement items are translated at average exchange rates for the period.

Any resulting foreign exchange gains or losses are taken directly to equity under "Translation adjustments".

Foreign currency transactions and foreign currency derivatives

Transactions denominated in currencies other than the entity's functional currency are translated to the functional currency at the exchange rate prevailing on the transaction date. Monetary

assets and liabilities denominated in foreign currencies are translated at the year-end exchange rate. Non-monetary assets and liabilities denominated in foreign currencies are translated at the historical exchange rate at the transaction date.

Any resulting foreign exchange gains or losses are typically recognized in profit or loss, except for foreign exchange differences relating to a financial instrument designated as a net investment hedge, which are reported in other comprehensive income.

Foreign exchange gains and losses arising subsequent to the derecognition of the net investment hedge are recognized in other financial income and expense in the consolidated income statement.

Foreign exchange gains and losses previously recognized in other comprehensive income are only reclassified to income upon the disposal of all or part of the subsidiary. The Group reviews whether the partial or full repayment of the loan or debt represents a disposal of all or part of the subsidiary.

The Group uses currency derivatives to manage and hedge its exposure to fluctuations in exchange rates which can impact revenue net of foreign-currency denominated purchases.

The Safran Group's forex hedging strategy along with the forward currency contracts and options it uses are described in Notes 6.5.6 "Management of foreign exchange risks" through to 6.5.10 "Liquidity risk management".

These foreign currency derivatives are recognized in the balance sheet at their fair value. Most derivatives used by the Group cannot be classified as hedging instruments and the Group therefore decided that none of its foreign currency derivative transactions was eligible for hedge accounting. Accordingly, any changes in the fair value of these derivatives along with the impact of unwinding these instruments are recognized in "Financial income (loss)".

2.2 Changes in scope of consolidation

Business combinations are recorded using the acquisition (purchase) method. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured at fair value at the date control is acquired.

One of the most important areas in which estimates are used in accounting for a business combination concerns the calculation of the fair value of certain assets acquired and liabilities assumed and the underlying assumptions applied. The fair value of certain

items acquired in a business combination can be measured reliably, for example property, plant and equipment using market prices or working capital requirement items. However, the fair value of other items such as intangible assets or contingent liabilities may prove more difficult to establish. These complex measurements are usually performed by independent experts based on a series of assumptions. These experts are generally required to estimate the impact of future events that are uncertain at the date of the combination.

2.2.1 Acquisitions

Acquisition of Thales' aeronautical electrical systems business

On October 2, 2023, Safran finalized its acquisition of a 100% stake in Thales's aeronautical electrical systems business.

Control of the business activities based in France was transferred in 2023. At December 31, 2023, the preliminary allocation of the purchase price to the assets and liabilities measured at fair value generated provisional goodwill of €109 million.

The allocation of the purchase price is as follows:

<i>(in € millions)</i>	Fair value at acquisition date
Intangible assets	199
Property, plant and equipment, and right-of-use assets	38
Inventories	63
Other current and non-current assets and liabilities	(182)
Net debt	5
Deferred tax liabilities	(24)
Net assets	99
Purchase price	124
Goodwill	25

The transfer of control of the business activities in the United States and Singapore is still in progress and will be carried out at the end of a transition period, during which the necessary certification approvals will be obtained.

Acquisition of Air Liquide's aeronautical oxygen and nitrogen activities

On February 29, 2024, Safran finalized the acquisition of Aerospace & Defense Oxygen System SAS (ADOS), combining Air Liquide's oxygen and nitrogen aerospace technology activities.

This acquisition rounds out Safran Aerosystems' range of products. In particular, acquiring Air Liquide's on-board oxygen generation systems (OBOGS) would see Safran Aerosystems become a leading player through systems integration.

The acquisition was fully consolidated (100%) by Safran in its financial statements as from March 1, 2024 within the Equipment & Defense segment.

Since their consolidation, these activities have contributed €54 million to consolidated revenue and €8 million to profit from operations.

Following the finalization of the purchase price allocation for ADOS at December 31, 2024, goodwill was recognized in an amount of €25 million.

The final allocation of the purchase price is as follows:

<i>(in € millions)</i>	Fair value at acquisition date
Non-current assets	49
Inventories	20
Other current and non-current assets and liabilities	(2)
Cash and cash equivalents	7
Borrowings	(9)
ADOS net assets	65
Purchase price	90
Goodwill	25

Acquisition of Preligens, a leader in artificial intelligence for the defense sector

On September 2, 2024, the Group finalized its acquisition of Preligens.

This acquisition represents a unique opportunity for Safran to add state-of-the-art AI capabilities to its product offering and to accelerate its digital transformation roadmap, in particular for Industry 4.0.

Preligens, now known as Safran.AI, has been fully consolidated in the Group's financial statements since September 1, 2024, within the Safran Electronics & Defense CGU.

Since its consolidation, Safran.AI has contributed €13 million to consolidated revenue and €1 million to profit from operations.

If these activities had been consolidated on January 1, 2024, they would have contributed €33 million to consolidated revenue and a negative €3 million to profit from operations for the year.

At December 31, 2024, the preliminary allocation of the purchase price to the assets and liabilities measured at fair value generated provisional goodwill of €220 million.

<i>(in € millions)</i>	Fair value at acquisition date
Non-current assets	12
Inventories	1
Other current and non-current assets and liabilities	(13)
Cash and cash equivalents	18
Borrowings	(9)
Net assets	9
Purchase price	229
Provisional goodwill	220

2.2.2 Disposals

Sale of Roxel, European leader in tactical propulsion systems

On December 19, 2024, Safran completed the sale of its stake in the Roxel joint venture to the missile manufacturer MBDA for a price of €81.4 million. Previously 50/50 owned by Safran and MBDA, Roxel is now a fully-owned subsidiary of the European missile manufacturer

The capital gain on the disposal was recognized in non-recurring operating income in the amount of €83 million.

The business has around 3,700 employees across eight facilities in Europe (France, Italy and the United Kingdom) and in Asia, and also benefits from MRO and engineering capabilities. It is expected to generate annual revenue of approximately USD 1.5 billion.

On November 20, 2023, Safran was informed of the Italian government's decision to exercise its "Golden Power", thus opposing the sale to Safran of Microtecnica S.r.l.⁽¹⁾.

The Group subsequently made a number of commitments, compatible with the targeted objectives of this acquisition, which address the concerns expressed by the Italian government and provide adequate safeguards of Italian national interests. On June 6, 2024, Safran was then informed by the Italian government of its decision ultimately to approve the sale to Safran of Microtecnica S.r.l.

2.2.3 Transactions in progress

Acquisition of Collins Aerospace's actuation and flight control business

Safran announced on July 21, 2023 the contemplated acquisition of Collins Aerospace's high-technology actuation and flight control activities, which are mission critical for commercial and military aircraft and helicopters by cash offer based on a USD 1.8 billion enterprise value.

⁽¹⁾ The company holding the assets included in the acquisition located in Italy.

In the United Kingdom, the Secretary of State reviewed the notification made under the National Security and Investment Act and informed Safran that he will take no further action in relation to the proposed acquisition. This constitutes an unconditional clearance.

In the United States, the Committee on Foreign Investment in the United States (CFIUS) approved the proposed acquisition on January 16, 2025.

To obtain the necessary merger control approvals, Safran has initiated the sale of its electromechanical actuation business, as described in the section below.

Completion of this proposed acquisition therefore remains subject to obtaining the necessary merger control approvals, notably conditional on the approval and completion of the sale of the electromechanical actuation business.

Sale of the electromechanical actuation business

On December 20, 2024, Safran announced that it had signed a definitive agreement to sell to Woodward its electromechanical actuation business in the United States, Mexico and Canada.

This transaction includes intellectual property, operations assets, talent and long-term customer agreements for Horizontal Stabilizer Trim Actuation (HSTA) systems⁽¹⁾ for aircraft stabilization to support safe and efficient flight.

The sale will also include other electromechanical products and electronic control units with a portfolio of commercial airliner and business aircraft applications.

The transaction marks another important milestone towards the acquisition by Safran of Collins Aerospace's actuation and flight control activities.

It is expected to close sometime in mid-2025, once all customary terms and conditions of the agreement are met and regulatory requirements are fulfilled, subject to obtaining the merger control approvals enabling Safran to complete its acquisition of Collins Aerospace's flight control and actuation businesses.

NOTE 3 SIGNIFICANT EVENTS OF THE YEAR

Completion of 2023 acquisitions

On April 28, 2023, AD Holding, owned equally by Airbus, Safran and Ace Aéro Partenaires, completed the acquisition of Aubert & Duval from the Eramet group.

At December 31, 2023, the purchase price allocation was underway, with the assistance of our external experts. The preliminary allocation of the purchase price to the assets acquired and liabilities assumed as measured at fair value generated provisional goodwill of zero.

The preliminary purchase price allocation was confirmed at December 31, 2024.

(1) Notably used for the Airbus A350.

NOTE 4 SEGMENT INFORMATION AND ADJUSTED DATA

The segment information presented below is based on internal reporting used by Executive Management to assess performance and allocate resources to the various business segments.

Executive Management represents the chief operating decision-maker within the meaning of IFRS 8.

The Group's subsidiaries are organized around tier-one entities ("consolidation sub-groups").

These sub-groups are in turn organized into operating segments based on the type of products and services they sell.

SEGMENTS PRESENTED

Safran manages its operations based on three operating segments:

- **Propulsion:** the Group designs, develops, produces and markets propulsion and mechanical power transmission systems for commercial aircraft, military transport, training and combat aircraft, civil and military helicopters, and drones. This segment also includes maintenance, repair and overhaul (MRO) activities and the sale of spare parts.
- **Equipment & Defense:** Safran covers the full life cycle of systems and equipment for civil and military aircraft and helicopters. The Group is involved in landing gear and brakes, nacelles and reversers, avionics (flight controls and onboard information systems), security systems (evacuation slides and oxygen masks), onboard computers and fuel systems. It also operates at the different phases of the electrical cycle and provides electrical power management systems and associated engineering services. It includes all activities serving the aerospace, naval and land defense markets, including optronic equipment and sights, navigation equipment and sensors, modernized infantry, and drones. This segment also includes maintenance, repair and overhaul (MRO) activities and the sale of spare parts.
- **Aircraft Interiors:** this segment includes all operations related to the buyer-furnished equipment (BFE) market, whose direct customers are mostly airline companies. It also includes all activities related to supplier-furnished equipment (SFE) specified and purchased by the airframer. The Group designs, develops, manufactures and markets, for example, aircraft seats for passengers (First, Business

and Economy Class) and crew, as well as cabin equipment, overhead bins, class dividers, passenger service units, cabin interior solutions, chilling systems, galleys, and electrical inserts and trolleys. This segment also includes complex cabin equipment and passenger comfort-focused solutions such as water distribution, lavatories, air systems, and in-flight entertainment and connectivity (IFEC).

- **Holding company and other:** in "Holding company and other", the Group includes Safran SA's activities and holding companies in various countries.

BUSINESS SEGMENT PERFORMANCE INDICATORS

To make it easier to track and compare its operating and financial performance, the Group prepares an adjusted income statement in addition to its consolidated financial statements and presents key indicators in its management report, defined as follows:

- **Adjusted revenue** corresponds to revenue adjusted for the revaluation by currency of revenue net of purchases in foreign currencies at the hedged rate, incorporating the exchange rate effectively obtained over the period under hedging strategies, including premiums on settled options.
- **Adjusted ROI** corresponds to recurring operating income adjusted for (i) entries recorded in connection with business combinations (**impact** of asset remeasurements and the depreciation, amortization and impairment of assets measured as part of the purchase price allocation in accordance with IFRS 3), (ii) the impact of the mark-to-market of foreign currency derivatives in order to better reflect the economic substance of the Group's overall foreign currency risk hedging strategy (revenue net of purchases in foreign currencies is therefore valued at the exchange rate effectively obtained over the period, including the cost of implementing the hedging strategy).
- **Adjusted profit attributable to owners of the parent** corresponds to consolidated profit for the period attributable to owners of the parent adjusted for the above-mentioned items and for the neutralization of all mark-to-market changes on foreign currency derivatives hedging future cash flows. The resulting changes in deferred tax have also been adjusted.

4.1 KPIs by segment

AT DECEMBER 31, 2024

(in € millions)	Propulsion	Equipment & Defense	Aircraft Interiors	Total operating segments	Holding company and other	Total adjusted data	Currency hedges	Impacts of business combinations	Total consolidated data
Revenue	13,652	10,618	3,037	27,307	10	27,317	399	-	27,716
Recurring operating income (loss)⁽¹⁾	2,819	1,298	27	4,144	(25)	4,119	394	(327)	4,186
Other non-recurring operating income and expenses	(26)	65	(45)	(6)	12	6	-	-	6
Profit (loss) from operations	2,793	1,363	(18)	4,138	(13)	4,125	394	(327)	4,192
Free cash flow	2,616	569	(132)	3,053	136	3,189	-	-	3,189
Gross operating working capital	(4,338)	1,987	1,294	(1,057)	(109)	(1,166)	-	-	(1,166)
Segment assets	21,782	15,503	4,993	42,278	2,428	44,706	-	-	44,706
(1) o/w depreciation, amortization and increase in provisions, net of use	(608)	(453)	(141)	(1,202)	(68)	(1,270)	(10)	(298)	(1,578)
o/w asset impairment	(1)	(24)	46	21	(2)	19	-	(1)	18

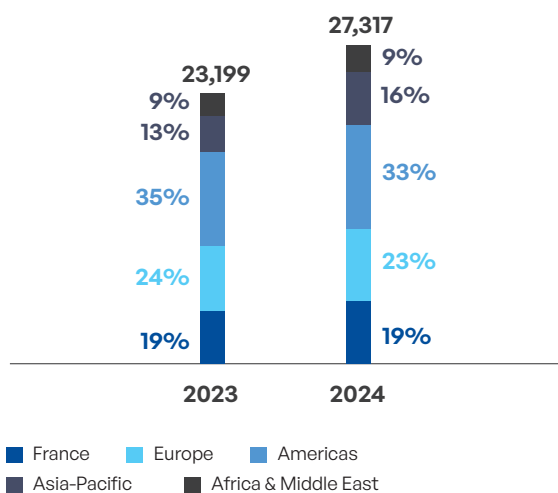
AT DECEMBER 31, 2023

(in € millions)	Propulsion	Equipment & Defense	Aircraft Interiors	Total operating segments	Holding company and other	Total adjusted data	Currency hedges	Impacts of business combinations	Total consolidated data
Revenue	11,876	8,835	2,477	23,188	11	23,199	452	-	23,651
Recurring operating income (loss)⁽¹⁾	2,390	992	(116)	3,266	(100)	3,166	462	(319)	3,309
Other non-recurring operating income and expenses	(52)	(13)	(428)	(493)	(18)	(511)	-	-	(511)
Profit (loss) from operations	2,338	979	(544)	2,773	(118)	2,655	462	(319)	2,798
Free cash flow	2,700	538	(277)	2,961	(16)	2,945	-	-	2,945
Gross operating working capital	(3,969)	1,667	1,135	(1,167)	(132)	(1,299)	-	-	(1,299)
Segment assets	19,271	14,297	4,544	38,112	3,144	41,256	-	-	41,256
(1) o/w depreciation, amortization and increase in provisions, net of use	(361)	(443)	(127)	(931)	(62)	(993)	7	(296)	(1,282)
o/w asset impairment	(25)	(5)	(23)	(53)	2	(51)	-	1	(50)

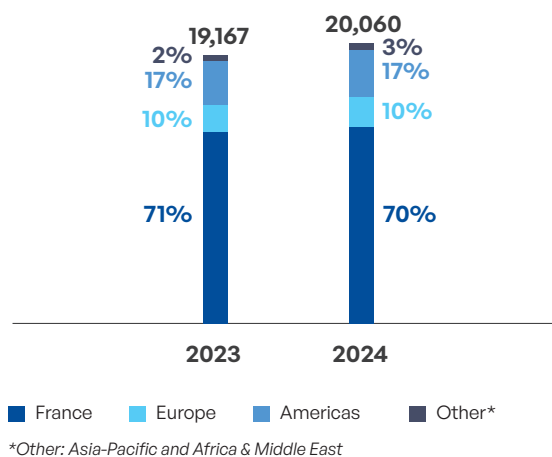
4.2 Information by geographic area

Revenue and non-current assets by geographic area can be analyzed as follows:

REVENUE BY GEOGRAPHICAL LOCATION OF CUSTOMERS



NON-CURRENT ASSETS BY GEOGRAPHICAL LOCATION



Non-current assets exclude financial assets, derivatives and deferred tax assets.

Revenue generated by the Group in the United States amounted to €6,947 million, or 25% of total Group revenue (€6,400 million in 2023, or 28% of total Group revenue).

Non-current assets located in the United States represent €2,908 million, or 14% of the Group's total non-current assets (€2,753 million in 2023, or 14% of the Group's total non-current assets).

4.3 Information relating to major customers

In 2024, as in 2023, the Group's three main customers were:

- Airbus: sales of original equipment engines for aircraft and helicopters for propulsion; landing and braking systems, wiring and electrical connection systems, nacelles, navigation systems, flight control systems, flight-data recording systems and other equipment for military aviation; and cabin interiors and seats;
- Boeing: sales of original equipment engines for aircraft for Propulsion; landing and braking systems and wiring and electrical connection systems for Equipment; and cabin interiors and seats for Aircraft Interiors;
- GE Aerospace: sales of fleet maintenance spare parts for engines for Propulsion.

NOTE 5 NOTES TO THE INCOME STATEMENT

5.1 Revenue

The Safran Group primarily sells:

ORIGINAL EQUIPMENT AND RELATED PRODUCTS AND SERVICES

Original equipment engines and spare engines, serial production equipment and spare parts

Revenue from sales of engines, equipment and spare parts is recognized upon transfer to the customer, i.e., upon delivery.

Development work may be carried out prior to production and is often inseparable from serial production. Any total or part contributions from customers in respect of such work are therefore initially recorded in the balance sheet as contract liabilities when they are received, and subsequently recognized in "Original equipment and equipment sales" as the goods are delivered.

Financing for development work which is independent of serial production (i.e., representing a separate performance obligation) is recognized in revenue upon the transfer of control over the development work (at a specific point in time, or on a percentage-of-completion basis (cost-to-cost method) if control is transferred over time).

The revenue recognized is net of any discounts granted in any form whatsoever, including warranties resembling trade discounts and any products or services granted free of charge which do not represent separate performance obligations, and net of all penalties.

Downpayments from customers are included in contract liabilities when they are received and taken to revenue when control of the products to which they relate is transferred.

Sales of contracts with multiple elements

Contracts with multiple elements are contracts that include the sale of specific development work as well as the sale of both goods and services.

In general, for these contracts:

- the specific development work or customization assignments for a given contract and customer do not represent a separate performance obligation. Costs associated with the development and installation are initially recognized in assets within contract costs if they are recoverable, and subsequently expensed over the contract term;
- financing received from the customer for the development work or customization assignment is recognized as revenue as and when the various performance obligations under the contract are satisfied;
- revenue generated on the serial production and service portion of the contract is recognized either on delivery of the goods, or on a percentage-of-completion basis (cost-to-cost method), depending on the nature of the performance obligation.

SALES OF SERVICES

Sales of service agreements

Certain maintenance and support contracts require a fleet of engines or various equipment to be kept in flying condition. These contracts are billed based on the number of flight hours or landings for the engines/equipment concerned.

The Group accounts for contracts on a percentage-of-completion basis (cost-to-cost method).

Rate-per-flight-hour (RPFH) contracts for engines include estimates of future costs related to the engine's commissioning date, as well as potential contingencies to cover the risks associated with the engine's behavior in the various environments in which it is used by airlines, its time on wing, and the time required to carry out maintenance operations, depending on available capacity. Assumptions are updated in line with technical milestones based on the maturity of the engines and with the experience acquired in terms of engine maintenance costs. This is notably applicable to agreements for LEAP engines, in which the profit currently recognized is close to zero until key technical milestones – which will have a major impact on the life of engines under the wing – are reached.

Amounts billed to customers which have not yet been recognized in revenue are included within contract liabilities (deferred income) at the end of the reporting period.

In contrast, revenue which has been recognized but which has not yet been billed is recorded within contract assets in the balance sheet.

Forecast contract margins are reviewed regularly, and any necessary adjustments are generally reflected immediately in the income statement ("catch-up method").

When the total costs that are necessary to cover the Group's risks and obligations under the contract are likely to exceed total contract revenue, any contract costs recognized within assets are written down and a provision for losses on completion recognized for the remaining amount of the loss.

Sales of time and materials service contracts

Revenue is recognized on a percentage-of-completion basis (cost-to-cost method) when control is transferred over time, or once the performance obligation has been satisfied if control is transferred at a point in time.

SALES OF STUDIES

Revenue is recognized on a percentage-of-completion basis (cost-to-cost method) when control is transferred over time, or once the performance obligation has been satisfied if control is transferred at a point in time.

OTHER

Safran may also recognize revenue on certain secondary activities.

Revenue can be analyzed as follows by type:

2024

(in € millions)	Propulsion	Equipment & Defense	Aircraft Interiors	Holding company and other	Total
DESCRIPTION OF PRODUCTS/SERVICES					
Sales of original equipment and other equipment	4,996	6,069	1,889	-	12,954
Spare parts and services	8,630	4,168	1,122	-	13,920
Sales of studies	174	332	29	2	537
Other	176	120	1	8	305
TOTAL REVENUE	13,976	10,689	3,041	10	27,716
TIMING OF REVENUE RECOGNITION					
At a point in time	11,051	9,465	2,992	10	23,518
Over time	2,925	1,224	49	-	4,198
TOTAL REVENUE	13,976	10,689	3,041	10	27,716

2023

(in € millions)	Propulsion	Equipment & Defense	Aircraft Interiors	Holding company and other	Total
DESCRIPTION OF PRODUCTS/SERVICES					
Sales of original equipment and other equipment	4,413	5,050	1,571	-	11,034
Spare parts and services	7,524	3,504	885	-	11,913
Sales of studies	151	266	22	3	442
Other	134	111	9	8	262
TOTAL REVENUE	12,222	8,931	2,487	11	23,651
TIMING OF REVENUE RECOGNITION					
At a point in time	9,893	7,892	2,463	11	20,259
Over time	2,329	1,039	24	-	3,392
TOTAL REVENUE	12,222	8,931	2,487	11	23,651

5.1.1 Remaining performance obligations

Remaining performance obligations relate to firm quantities/products/services still to be delivered and/or performed under contracts in force at the end of the reporting period.

The duration of these obligations can be up to 20 years.

(in € millions)	One year or less	More than one year	Total
Remaining performance obligations at December 31, 2023	13,995	59,379	73,374
Remaining performance obligations at December 31, 2024	15,567	69,457	85,024

This increase is mainly due to a €10 billion increase in aftermarket services, with the entry into service or restructuring of certain contracts in the Propulsion segment, and a €1.6 billion increase in firm orders for original equipment and other equipment.

Obligations to provide services in more than one year can be analyzed as follows: €24 billion in one to five years; €45 billion after five years.

5.2 Other operating data

5.2.1 Other income

Other income breaks down as follows:

<i>(in € millions)</i>	2023	2024
Research tax credit	159	178
Other operating subsidies	288	221
Other operating income	27	39
OTHER INCOME	474	438

Research tax credits in France, or any similar tax arrangements in other jurisdictions, are considered as operating subsidies related to research and development expenditures incurred during the period

Other operating subsidies mainly comprise research and technology (R&T) subsidies amounting to €203 million (€266 million in 2023).

5.2.2 Raw materials and consumables used

This caption breaks down as follows for the period:

<i>(in € millions)</i>	2023	2024
Raw materials, supplies and other	(5,126)	(5,794)
Bought-in goods	(167)	(230)
Changes in inventories	498	456
Contract costs	121	89
Sub-contracting	(5,395)	(5,042)
Purchases not held in inventory	(742)	(738)
External service expenses	(3,261)	(4,701)
RAW MATERIALS AND CONSUMABLES USED	(14,072)	(15,960)

In connection with the exemption provided for under IFRS 16 (see Note 6.1.4), note that at December 31, 2024, external services include lease expenses of €165 million (€198 million at December 31, 2023).

5.2.3 Personnel costs

Personnel costs break down as follows:

<i>(in € millions)</i>	2023	2024
Wages and salaries	(4,330)	(4,965)
Social security contributions	(1,638)	(1,863)
Statutory and optional employee profit-sharing	(409)	(501)
Other employee costs	(390)	(472)
PERSONNEL COSTS	(6,767)	(7,801)

The average number of permanent employees at the Group level, excluding jointly controlled entities, was 96,390 in 2024 versus 87,055 in 2023.

5.2.4 Depreciation, amortization and provisions

Depreciation, amortization and provisions can be analyzed as follows:

(in € millions)	2023	2024
NET DEPRECIATION AND AMORTIZATION EXPENSE		
■ intangible assets	(646)	(686)
■ property, plant and equipment	(584)	(596)
■ right-of-use assets	(106)	(124)
Total net depreciation and amortization expense	(1,336)	(1,406)
Net (additions to) reversals from provisions	54	(172)
DEPRECIATION, AMORTIZATION AND INCREASE IN PROVISIONS, NET OF USE	(1,282)	(1,578)

Net depreciation and amortization expense includes depreciation and amortization of assets measured at fair value at the time of various business combinations, representing €298 million at December 31, 2024 (€296 million at December 31, 2023).

5.2.5 Asset impairment

Asset impairment breaks down as follows:

(in € millions)	Impairment expense		Reversals	
	2023	2024	2023	2024
Intangible assets, property, plant and equipment, and right-of-use assets	(3)	(13)	15	11
Financial assets	(4)	(9)	3	4
Contract costs	(13)	-	4	24
Inventories and work-in-progress	(409)	(533)	363	552
Receivables	(86)	(57)	81	40
Contract assets	-	-	(1)	(1)
ASSET IMPAIRMENT	(515)	(612)	465	630

5.2.6 Other non-recurring operating income and expenses

To give a clearer picture of the Group's operating performance, items which are largely unpredictable because of their unusual, infrequent and/or material nature are included on the operating income line, "Other non-recurring operating income and expenses".

This mainly includes:

- impairment losses recognized against goodwill and impairment losses or reversals of impairment losses recognized against intangible assets relating to programs, projects or product families, including for equity-accounted companies;

- transaction costs and capital gains and losses on disposals of operations;
- gains on remeasuring any previously held equity interests in the event of step acquisitions or disposals or transfers made to joint ventures;
- other unusual and/or material items not directly related to the Group's ordinary operations, in particular restructuring costs.

(in € millions)	2023	2024
Capital gains and losses on asset disposals	(10)	83
Asset impairment net of reversals	(432)	(1)
Other non-recurring items	(69)	(76)
OTHER NON-RECURRING OPERATING INCOME AND EXPENSES	(511)	6

In 2024, capital gains and losses on asset disposals result from the disposals outlined in Note 2.2, "Changes in the scope of consolidation".

In 2024, write-downs taken against intangible assets break down as follows:

- €52 million relating to aircraft programs in the Equipment & Defense segment;

- €71 million of reversals of impairment recognized on an aircraft program in the Equipment & Defense segment;
- €20 million relating to aircraft programs in the Aircraft Interiors segment.

Other non-recurring items mainly correspond to restructuring costs including adaptation plans and costs relating to site closures, transaction costs and compensation due in connection with the suspension of a program.

5.3 Financial income (loss)

Financial income (loss) can be analyzed as follows:

COST OF NET DEBT

Interest expense corresponds essentially to the amount of interest recognized on interest-bearing financial liabilities. Interest income relates to interest earned on cash investments meeting the definition of cash and cash equivalents.

FOREIGN EXCHANGE GAINS AND LOSSES

Foreign exchange gains and losses include:

- the gain or loss on foreign currency hedging instruments which reflects changes in the fair value of these instruments attributable to operating cash flows that will be recognized

in profit or loss in future periods. The fair value of the portfolio reflects the immediate liquidation value of the portfolio at the year-end exchange rate for the period, compared with the average exchange rate for the portfolio, even though currency hedges are intended to be unwound at the time of future dollar receipts;

- the foreign exchange gain or loss which reflects the loss on unwinding currency derivatives hedging operating cash flows recognized in profit or loss in the period. This foreign exchange gain or loss reflects the difference between the exchange rate of the EUR/USD currency derivatives unwound and the average EUR/USD exchange rate in 2024.

OTHER FINANCIAL INCOME AND EXPENSE

Other financial income and expense are set out in the table below:

(in € millions)	2023	2024
Financial expense on interest-bearing financial liabilities	(118)	(92)
Financial income on cash and cash equivalents	230	249
Cost of net debt	112	157
Gain (loss) on foreign currency hedging instruments	2,239	(4,670)
Foreign exchange gain (loss)	(417)	(463)
Net foreign exchange gain (loss) on provisions	28	(47)
Foreign exchange gains (losses)	1,850	(5,180)
Gain (loss) on interest rate hedging instruments	(1)	-
Capital gain (loss) on financial asset disposals	(1)	7
Change in the fair value of assets at fair value through profit or loss	15	18
Dividends received	7	8
Other financial provisions	(2)	(3)
Interest component of IAS 19 expense	(18)	(19)
Impact of unwinding the discount	(16)	(18)
Other	12	(21)
Other financial income and expense	(4)	(28)
FINANCIAL INCOME (LOSS)	1,958	(5,051)
■ Of which financial expense	(573)	(5,333)
■ Of which financial income	2,531	282

The foreign exchange loss includes a €404 million loss on unwinding hedges over the year and a foreign exchange loss of €59 million on the remeasurement of monetary items.

5.4 Income tax

The income tax expense or benefit reflects current and deferred tax relating to consolidated companies.

5.4.1 Analysis of income tax benefit (expense)

Income tax benefit (expense) breaks down as follows:

(in € millions)	2023	2024
Current income tax benefit (expense)	(928)	(1,023)
Deferred tax benefit (expense) ⁽¹⁾	(308)	1,307
TOTAL TAX BENEFIT (EXPENSE)	(1,236)	284

(1) The deferred tax benefit in 2024 is mainly due to changes in the fair value of currency hedging instruments.

5.4.2 Analysis of effective tax rate

The effective tax rate breaks down as follows:

(in € millions)	2023	2024
Profit (loss) before tax (a)	4,756	(859)
Standard tax rate applicable to the parent company	25.83%	25.83%
Tax benefit (expense) at standard rate	(1,228)	222
Impact of permanent differences	(80)	22
Impact of research tax credits	45	45
Impact of different tax rates (France/international)	9	18
Impact of unrecognized tax	(2)	(16)
Impact of joint ventures	26	34
Impact of other items	(6)	(41)
Current income tax benefit (expense) recognized in profit or loss (b)	(1,236)	284
EFFECTIVE TAX RATE (B)/(A) (IN %)	25.99%	33.06%

As discussions on the French Finance Act had not concluded at the end of December, the corporate income tax surcharge initially planned for 2024 earnings had not been approved at the reporting date. France's corporate income tax therefore continues to be levied at 25.83% (including the social levy), regardless of the discussions ongoing in 2025 on the introduction of a corporate income tax surcharge.

Deferred tax assets and liabilities were calculated on this basis.

Profit (loss) before tax includes a €4,670 million decrease in the fair value of hedging instruments, which generated deferred tax income of €1,206 million. Excluding these items, the effective tax rate was 24.20%.

In 2024, tax credits represent €50 million (of which €45 million in research tax credits) and reduce the effective tax rate.

The impact of joint ventures arises from the fact that joint ventures' share of income as included in consolidated profit (loss) from operations is net of tax.

5.4.3 Deferred tax assets and liabilities

As no utilization is likely according to the Group's medium-term business plan, no deferred tax assets were recognized on the tax losses.

(in € millions)	Assets	Liabilities	Net
Net deferred tax assets (liabilities) at December 31, 2023	1,122	1,022	100
Deferred taxes recognized in profit or loss	1,234	(73)	1,307
Deferred taxes recognized directly in equity	(25)	(73)	48
Reclassifications	(22)	(23)	1
Foreign exchange differences	5	3	2
Changes in scope of consolidation	35	55	(20)
NET DEFERRED TAX ASSETS (LIABILITIES) AT DECEMBER 31, 2024	2,349	911	1,438

Deferred taxes can be analyzed as follows by type:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Deferred tax bases		
■ Intangible assets, property, plant and equipment, and right-of-use assets	(7,440)	(7,225)
■ Inventories	607	660
■ Current assets/liabilities	2,800	2,986
■ Financial assets/liabilities ⁽¹⁾	3,600	8,502
■ Provisions	899	1,142
■ Tax adjustments	(793)	(912)
■ Losses carried forward and tax credits	1,037	822
TOTAL DEFERRED TAX BASES	710	5,975
Total gross deferred tax balance (a)	155	1,502
Total unrecognized deferred tax assets (b)	55	64
TOTAL NET DEFERRED TAXES RECOGNIZED (A)-(B)	100	1,438

(1) The increase in the tax base is related to the fair value of hedging instruments.

5.4.4 Pillar Two

The Group continues to monitor developments in Pillar Two legislation as new countries adopt the rules. In December 2021, the Organisation for Economic Cooperation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting released the Global Anti-Base Erosion Model Rules ("GloBE Rules" or "Pillar Two model rules"). The rules aim at reforming international corporate taxation by ensuring that multinational enterprises with a global revenue exceeding €750 million incur a minimum GloBE effective tax of 15% for each jurisdiction in which they operate. As part of the 2024 French Finance Act, France enacted the Pillar Two legislation with mandatory application for accounting periods commencing on or after January 1, 2024.

The Group falls within the scope of these rules. The Group applies the exception to recognizing and disclosing information regarding deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued on May 23, 2023 and approved by the European Commission.

At December 31, 2024, the Group estimated the additional current tax expense under Pillar Two, applying the transitional safe harbor rules. Since effective tax rates are higher than 15% in the majority of jurisdictions in which the Group operates, the additional tax charge recognized pursuant to Pillar Two rules was not material.

The Group continues to monitor developments in Pillar Two legislation as new countries adopt the rules.

5.5 Earnings per share

	Index	2023	2024
NUMERATOR (in € millions)			
Profit (loss) for the period attributable to owners of the parent	(a)	3,444	(667)
Diluted profit for the period attributable to owners of the parent	(a')	3,480	(665)
DENOMINATOR (in shares)			
Total number of shares	(b)	427,260,541	423,632,587
Number of treasury shares held	(c)	13,733,425	6,857,467
Number of shares excluding treasury shares	(d)=(b-c)	413,527,116	416,775,120
Weighted average number of shares (excluding treasury shares)	(d')	417,795,492	416,149,530
Potentially dilutive ordinary shares	(e)	13,578,069	4,572,823
Weighted average number of shares after dilution	(f)=(d'+e)	431,373,561	420,722,353
RATIO: EARNINGS (LOSS) PER SHARE (in €)			
Basic earnings (loss) per share*	(g)=(a*1 million)/(d')	8.24	(1.60)
Diluted earnings (loss) per share*	(h)=(a'*1 million)/(f)	8.07	(1.60)

* In accordance with IAS 33, when basic earnings per share are negative, basic and diluted earnings per share are identical.

At December 31, 2024, the only potentially dilutive instruments for the Group are the bonds convertible into new shares and/or exchangeable for existing shares and the free share grant (see Note 6.3 "Equity and dividends").

NOTE 6 NOTES TO THE BALANCE SHEET

6.1 Non-current assets

6.1.1 Goodwill and other intangible assets

Goodwill

Goodwill is initially recognized when a business combination takes place, as described in Note 2.2 "Changes in scope of consolidation".

Subsequent to initial recognition, goodwill is not amortized, but is tested for impairment whenever there is evidence that it may be impaired, and at least annually in the second half of the year. Impairment tests carried out during the year are described in Note 6.1.3 "Impairment of non-current assets".

Goodwill breaks down as follows:

(in € millions)	Dec. 31, 2023 Net	Changes in scope of consolidation ⁽¹⁾	Impairment	Price adjustments and allocation to identifiable assets and liabilities ⁽²⁾	Effect of changes in foreign exchange rates and other	Dec. 31, 2024 Net
Safran Aircraft Engines	392	-	-	-	-	392
Safran Helicopter Engines	306	-	-	-	-	306
Safran Aero Boosters	47	-	-	-	-	47
Other Propulsion	1	-	-	-	-	1
Safran Electronics & Defense	613	220	-	-	5	838
Safran Nacelles	213	-	-	-	-	213
Safran Engineering Services	74	-	-	-	-	74
Safran Electrical & Power	811	-	-	(84)	17	744
Safran Landing Systems	190	-	-	-	-	190
Safran Aerosystems	725	25	-	-	-	750
Safran Seats	588	-	-	-	-	588
Safran Cabin	746	-	-	-	48	794
GOODWILL	4,706	245	-	(84)	70	4,937

(1) The acquisition of Preligens and ADOS resulted in the recognition of goodwill for €220 million and €25 million, respectively (see Note 2.2, "Changes in scope of consolidation").

(2) The definitive allocation of the purchase price of Thales Avionics Electrical Systems led to an €84 million reduction in goodwill for the Safran Electrical & Power CGU (see Note 2.2, "Changes in scope of consolidation").

Intangible assets (excluding goodwill)

INTANGIBLE ASSETS

Software is recognized at acquisition cost or production cost and amortized on a straight-line basis over its useful life (between one and five years).

Patents are capitalized at acquisition cost and amortized over their useful life, i.e., the shorter of the period of legal protection and their economic life.

Contributions paid to third parties in connection with aircraft programs (participation in certification costs, etc.) are considered as acquired assets and are therefore capitalized unless the program proves unprofitable. These contributions are amortized on a straight-line basis over the term of the program.

In the case of business combinations, intangible assets (customer relationships, technology, brands, etc.) are recognized at their fair value at the date control is acquired and are amortized on a straight-line basis over their useful life.

RESEARCH AND DEVELOPMENT COSTS

Research costs are recognized as expenses in the period in which they are incurred. Development expenditures are capitalized if they meet all of the criteria set out in IAS 38. In the Group, development expenditures are capitalized once Executive Management has taken the decision to launch the program (technical feasibility, proven profitability, existence of a market, etc.).

Development expenditures cannot be capitalized before the completion of this milestone.

Capitalization of development expenditures ceases as soon as the product to which the expenditures relate is brought into service or the criteria for capitalization are no longer met.

Capitalized development expenditures are stated at production cost and amortized primarily using the straight-line method as from the initial delivery of the product, over a useful life not exceeding 20 years.

Intangible assets (excluding goodwill) break down as follows:

	Dec. 31, 2023			Dec. 31, 2024		
	Gross	Amortization /impairment	Net	Gross	Amortization/impairment	Net
(in € millions)						
Aircraft programs	2,325	(1,953)	372	2,327	(2,020)	307
Development expenditure	7,528	(3,605)	3,923	7,923	(3,953)	3,970
Commercial agreements	913	(297)	616	920	(336)	584
Software	831	(738)	93	887	(765)	122
Trademarks ⁽¹⁾	721	-	721	721	-	721
Commercial relationships	1,924	(847)	1,077	2,156	(999)	1,157
Technology	1,264	(828)	436	1,359	(943)	416
Other	984	(392)	592	1,070	(400)	670
OTHER INTANGIBLE ASSETS	16,490	(8,660)	7,830	17,363	(9,416)	7,947

(1) As trademarks are not amortized, they are tested for impairment based on their respective CGUs.

Movements in intangible assets (excluding goodwill) break down as follows:

	Gross	Amortization/impairment	Net
(in € millions)			
Other intangible assets at Dec. 31, 2023	16,490	(8,660)	7,830
Capitalization of R&D expenditure ⁽¹⁾	328	-	328
Capitalization of other intangible assets	85	-	85
Acquisitions of other intangible assets	60	-	60
Disposals and retirements	(20)	10	(10)
Amortization	-	(687)	(687)
Impairment losses recognized in profit or loss	-	2	2
Reclassifications	9	8	17
Changes in scope of consolidation	265	(8)	257
Foreign exchange differences	146	(81)	65
OTHER INTANGIBLE ASSETS AT DEC. 31, 2024	17,363	(9,416)	7,947

(1) Including €3 million in capitalized interest on R&D expenditure at December 31, 2024 (€3 million at December 31, 2023).

Research and development expenditure recognized in recurring operating income for the period totaled €1,509 million including amortization and impairment (€1,421 million in 2023). This amount does not include the research tax credit or other operating subsidies recognized in the income statement within "Other income" (see Note 5.2, "Other operating data").

Amortization recognized in the period includes €289 million relating to the remeasurement of intangible assets in connection with business combinations.

6.1.2 Property, plant and equipment

Property, plant and equipment are recorded in the balance sheet at historical purchase cost or at production cost, and are depreciated over their useful life.

The main useful lives applied to calculate the depreciation schedule are as follows:

- Buildings: 15-40 years
- Technical facilities: 5-40 years
- Equipment, tooling and other: 3-15 years

Property, plant and equipment acquired in a business combination are recognized at fair value at the date control is acquired and are depreciated on a straight-line basis over their useful life.

Property, plant and equipment break down as follows:

	Dec. 31, 2023			Dec. 31, 2024		
	Gross	Depreciation/ impairment	Net	Gross	Depreciation/ impairment	Net
<i>(in € millions)</i>						
Land	230	-	230	231	-	231
Buildings	2,398	(1,367)	1,031	2,517	(1,475)	1,042
Technical facilities, equipment and tooling	6,993	(5,121)	1,872	7,459	(5,422)	2,037
Assets in progress, advances	766	(44)	722	1,032	(39)	993
Site development and preparation costs	89	(52)	37	103	(59)	44
Buildings on land owned by third parties	90	(48)	42	94	(53)	41
Computer hardware and other equipment	751	(564)	187	815	(574)	241
PROPERTY, PLANT AND EQUIPMENT	11,317	(7,196)	4,121	12,251	(7,622)	4,629

Movements in property, plant and equipment break down as follows:

	Gross	Depreciation/ impairment	Net
<i>(in € millions)</i>			
Property, plant and equipment at Dec. 31, 2023	11,317	(7,196)	4,121
Internally produced assets	114	-	114
Additions	952	-	952
Disposals and retirements	(142)	124	(18)
Depreciation	-	(597)	(597)
Net impairment losses recognized in profit or loss	-	(3)	(3)
Reclassifications	(137)	105	(32)
Changes in scope of consolidation	59	(2)	57
Foreign exchange differences	88	(53)	35
PROPERTY, PLANT AND EQUIPMENT AT DEC. 31, 2024	12,251	(7,622)	4,629

6.1.3 Non-current asset impairment tests

NON-CURRENT ASSET IMPAIRMENT TESTS

Depreciable/amortizable property, plant and equipment and intangible assets are tested for impairment whenever there is evidence that they may be impaired.

Impairment tests seek to compare an asset's recoverable amount to its net carrying amount. If the carrying amount is higher than the recoverable amount, the asset is written down to its recoverable amount. The recoverable amount of an asset or a group of assets is the higher of its fair value less costs to sell and its value in use.

Impairment tests are performed at least once a year for depreciable/amortizable non-current assets which have not yet begun to be depreciated or amortized. Non-current assets are tested for impairment whenever there is evidence that they may be impaired.

CASH-GENERATING UNITS AND IMPAIRMENT TESTS

Non-current assets, and particularly goodwill acquired in a business combination, are allocated to cash-generating units (CGUs)⁽¹⁾.

Two types of CGUs are defined within the Group:

- CGUs corresponding to programs, projects, or product families associated with specific assets and liabilities: development expenditures, property, plant and equipment used in production;
- CGUs to which goodwill is allocated, corresponding to the business segments monitored by Group management and relating chiefly to the Group's main subsidiaries.

In the event of a sale or restructuring of the Group's internal operations which affects the composition of one or more of the CGUs to which goodwill has been allocated, the allocations are revised using a method based on relative value. This method takes the proportion represented by the business sold or transferred in the cash flows and terminal value of the original CGU at the date of sale or transfer.

IMPAIRMENT TESTS PERFORMED ON ASSETS ALLOCATED TO PROGRAMS, PROJECTS OR PRODUCT FAMILIES

The value in use of other assets allocated to programs, projects or product families is determined as follows:

- Expected future cash flows are projected over the life of the development programs or projects, capped at 40 years, and are discounted at the benchmark rate.

Certain programs or projects are also subject to a specific risk premium. This long timeframe better reflects the characteristics of the Group's operating cycles (aircraft and defense), where assets tend to have a long useful life.

Impairment is recognized where a loss in value is identified. It may be reversed if the loss in value subsequently decreases, in which case the amount of the reversal is based on revised estimates of the asset's recoverable amount.

IMPAIRMENT TESTS PERFORMED ON CGUS AT BUSINESS SEGMENT LEVEL

The Group uses value in use to determine the recoverable amount of an asset or group of assets.

The value in use of the CGUs was determined based on the following method:

- Expected future cash flows for all CGUs are determined over an estimated 10-year period. The projections are drawn from the medium-term business plan, as prepared in the second half of 2024 for the next four years, and for the following six years are based on the best estimate of the long-term scenario. They take into account orders and delivery schedules, airframers' production rates, IATA forecasts, the impacts of decarbonization and any other available information. The projections take into account general economic data, specific inflation rates for each geographic area, a USD exchange rate based on available market information and mid- to long-term macroeconomic assumptions.
- A terminal value is also used, calculated by reference to normative cash flows representing long-term business activity, which usually corresponds to the last year of available forecasts plus an estimated growth rate for the activities concerned.
- Cash flows are discounted at a rate that reflects current market assessments of the time value of money and the risks specific to the asset (or group of assets). This rate corresponds to the weighted average cost of capital (WACC) after tax. The use of a post-tax rate applied to post-tax cash flows results in recoverable amounts similar to those obtained by applying pre-tax rates to pre-tax cash flows.
- The value in use of CGUs is equal to the sum of these cash flows.

In the event of a proven loss in value of the CGU, impairment is recognized against goodwill and cannot be reversed.

Impairment tests performed on CGUs at business segment level

In the second half of the year, the Group carried out its annual impairment tests on all of its CGUs, based on the data in the medium-term business plan as updated and validated by Executive Management and the Board of Directors. The tests were carried out by comparing the CGUs' value in use with their net carrying amount at December 31, 2024.

The growth rate used to calculate the terminal value was set at 2.5% (2.5% in 2023) for all CGUs.

The benchmark post-tax discount rate used is 8.5% (8.5% in 2023) and is applied to post-tax cash flows.

(1) A CGU is the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

The hedged USD exchange rate adopted for 2025-2028 is USD 1.12 to €1. This exchange rate assumption takes into account the available foreign currency hedging portfolio (see Note 6.5.6, "Foreign currency risk management"). For an intermediate period covering the three years following the medium-term business plan (2029-2031), a rate of 1.20 – corresponding to the best estimate of the Group's hedging ability for that period – is adopted. A rate of 1.25 is adopted thereafter. In the specific case of the Safran Cabin CGU, the impairment test was performed at the December 31, 2024 closing rate for all cash flows in USD not subject to currency hedging, thereby ensuring that assets mainly carried in USD and the future cash flows determining value in use are converted into EUR in the same way.

The Safran Seats and Safran Cabin CGUs continued to implement their turnaround plan in 2024, returning to breakeven. In light of these results, which have yet to be consolidated, and the deviations observed over the past few years from the turnaround trajectories defined in successive medium-term business plans, the future cash flows of these two CGUs are subject to uncertainties.

The Group tested all its CGUs for impairment during the second half of the year.

Based on these tests, the recoverable amount of each CGU tested wholly justifies its net asset value, including the goodwill balances recorded in Group assets.

Sensitivity of all of the CGUs to the following changes in main assumptions was tested:

	Assumptions
Change in the EUR/USD exchange rate	+/-5%
Change in the benchmark discount rate	+/-0.5%
Change in the perpetual growth rate	-0.5%

No impairment is required on the basis of these assumptions.

Impairment tests performed on assets allocated to programs, projects or product families

The impairment tests carried out at December 31, 2024 on assets allocated to programs, projects or product families were based on the approach described in Note 6.1.3, "Impairment of non-current assets".

An 8.5% discount rate was used, plus a risk premium of 0.5% to 2.5% depending on the programs tested.

As a result of the impairment tests at December 31, 2024, the Group reversed impairment recognized on a program in an amount of €71 million and wrote down various aircraft programs in an amount of €72 million, charged against non-recurring operating income.

6.1.4 Leases

All property leases together with the Group's main leases of groups of assets (vehicles, handling equipment, etc.) are accounted for in accordance with IFRS 16. The Safran Group opted for the exemption provided by IFRS 16 to not apply the standard to short-term, low-value leases. These agreements are therefore recognized in operating expenses.

The Group analyzes its "3/6/9"-type commercial leases every year and, where necessary, adjusts the lease terms.

The discount rate used is determined either by using the interest rate implicit in the lease, or by using the incremental borrowing rate, defined as the estimated rate of interest that Safran would have to pay on the market to borrow over a term identical to the average term of the lease liability upon signature of the lease.

For euro-denominated debt, the rate used for a given maturity is the average of indicative euro bond market yields for Safran as provided by a sample of banks. For all other currencies, the rate used for a given maturity is the euro rate described above, swapped into the desired currency.

These incremental borrowing rates are revised every six months for all new leases.

Right-of-use assets break down as follows:

	Dec. 31, 2023			Dec. 31, 2024		
	Gross	Depreciation/ impairment	Net	Gross	Depreciation/ impairment	Net
(in € millions)						
Right-of-use assets relating to property	934	(367)	567	1,020	(412)	608
Right-of-use assets relating to transport equipment	13	(5)	8	17	(7)	10
Right-of-use assets relating to other assets	21	(14)	7	44	(9)	35
RIGHT-OF-USE ASSETS	968	(386)	582	1,081	(428)	653

Movements in right-of-use assets break down as follows:

	Gross	Depreciation/ impairment	Net
(in € millions)			
Right-of-use assets at Dec. 31, 2023	968	(386)	582
Increases	190	-	190
Disposals and retirements	(84)	72	(12)
Depreciation	-	(124)	(124)
Reclassifications	(10)	12	2
Changes in scope of consolidation	11	-	11
Foreign exchange differences	6	(2)	4
RIGHT-OF-USE ASSETS AT DEC. 31, 2024	1,081	(428)	653

6.1.5 Investments in equity-accounted companies

In the balance sheet, investments in equity-accounted companies are initially recognized at fair value. Goodwill arising on the allocation of the purchase price is included in the carrying amount of investments in equity-accounted companies.

The income statement item "Share in profit from joint ventures" includes the following items:

- the Group's share in the profit or loss of these companies;
- any identified impairment losses. If the Group's share in the losses of equity-accounted companies exceeds the carrying amount of its investment in those companies, the Group discontinues recognizing its share in future losses. After the Group's interest is reduced to zero, a provision is booked for additional losses where the Group has a legal or constructive obligation or has made payments on behalf of the associate.

Gains or losses on internal acquisitions or disposals involving equity-accounted associates and joint ventures are eliminated in the amount of the Group's investment in these companies. In the case of sales of engines and equipment, the elimination of the Group's share in profit or loss is charged in full to "Raw materials and consumables used".

Investments in equity-accounted companies amounted to €1,894 million and includes ArianeGroup for €1,219 million (the only material joint venture) and €675 million for other joint ventures and associates.

A list of equity-accounted companies is provided in Note 9 "List of key consolidated companies".

Movements in this caption during the period break down as follows:

(in € millions)

Investments in equity-accounted companies at Dec. 31, 2023	1,928
Share in profit (loss) from ArianeGroup	(22)
Share in profit from other joint ventures	185
Dividends received from joint ventures	(43)
Changes in scope of consolidation	(28)
Foreign exchange differences	65
Other movements ⁽¹⁾	(191)
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES AT DEC. 31, 2024	1,894

(1) Mainly related to the elimination of the share in intragroup transactions.

The Group's off-balance sheet commitments with joint ventures are described in Note 8.3, "Off-balance sheet commitments and contingent liabilities".

ArianeGroup is the Group's sole material joint venture.

Financial information for ArianeGroup can be summarized as follows:

(in € millions)

	Dec. 31, 2023	Dec. 31, 2024
Non-current assets	1,667	1,613
Current assets	7,362	7,152
■ of which: cash and cash equivalents	1,219	1,523
Non-current liabilities	(1,116)	(1,288)
■ of which: non-current financial liabilities	(334)	(324)
Current liabilities	(8,155)	(7,715)
■ of which: current financial liabilities	(85)	(76)
Non-controlling interests	16	15
Net assets of ArianeGroup (excl. goodwill and PPA) – Attributable to owners of the parent (based on a 100% interest)	(226)	(223)
Equity share in net assets of ArianeGroup (excl. goodwill and PPA) (based on a 50% interest)	(113)	(112)
Purchase price allocation, net of deferred taxes	179	157
Safran equity share – Net assets of ArianeGroup	66	45
Goodwill	1,174	1,174
CARRYING AMOUNT OF INVESTMENT IN ARIANEGROUP	1,240	1,219

(in € millions)

	Dec. 31, 2023	Dec. 31, 2024
Revenue	2,298	2,475
Depreciation and amortization	(122)	(143)
Cost of borrowings	(10)	(9)
Interest income	38	35
INCOME TAX EXPENSE	4	(14)

(in € millions)	2023	2024
Profit (loss) for the period attributable to ArianeGroup	(19)	2
Other comprehensive income	6	1
Total comprehensive income (expense) attributable to ArianeGroup	(13)	3
Safran equity share – Profit (loss) for the period	(10)	1
Amortization of purchase price allocation, net of deferred taxes	(22)	(22)
Other adjustments	-	(1)
Safran equity share – Profit (loss) of ArianeGroup	(32)	(22)
Safran equity share – Other comprehensive income	3	-
SAFRAN EQUITY SHARE – COMPREHENSIVE INCOME (EXPENSE) OF ARIANEGROUP	(29)	(22)

ArianeGroup did not pay any dividends in 2024.

The inaugural flight of its Ariane 6 launcher took place on July 9, 2024.

The impairment test on the equity-accounted investments was updated at December 31, 2024, using the information available at that date.

The growth rate used to calculate the terminal value was set at 2%, unchanged from 2023. The benchmark discount rate used was 8.5%, unchanged from 2023.

Based on this test, no write-down was recognized.

The Group analyzed the sensitivity of the investments to a 0.5% increase in the benchmark discount rate used (i.e., a rate of 9%). Under this assumption, the recoverable amount of the investments would still be slightly above their carrying amount in the Group's consolidated financial statements.

6.1.6 Other non-current financial assets and liabilities

Equity investments in non-consolidated companies are classified at fair value through profit or loss.

The fair value of listed investments corresponds to their market value. The fair value of unlisted investments corresponds to their acquisition cost, provided that this approximates their fair value. If this is not the case, an appropriate valuation technique (e.g., value in use) is used.

Loans to non-consolidated companies are classified at amortized cost. They are written down in accordance with the general impairment approach set out in IFRS 9 only if there is a risk of non-recovery.

Other financial assets and liabilities include:

(in € millions)	Dec. 31, 2023			Dec. 31, 2024		
	Gross	Impairment	Net	Gross	Impairment	Net
Non-consolidated investments	538	(155)	383	544	(150)	394
Loans to non-consolidated companies	57	(10)	47	79	(27)	52
Loans to employees	30	-	30	34	-	34
Deposits and guarantees	16	-	16	22	-	22
Investments that do not qualify as cash and cash equivalents ⁽¹⁾	415	-	415	404	-	404
Other	110	(4)	106	178	(11)	167
OTHER NON-CURRENT ASSETS	1,166	(169)	997	1,261	(188)	1,073

(1) Including the reclassification of €200 million between current and non-current assets in 2023.

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Payables on purchases of property, plant and equipment and intangible assets	43	11
Payables on purchases of investments	-	-
OTHER NON-CURRENT LIABILITIES	43	11

6.2 Working capital requirement

6.2.1 Inventories and work-in-progress and contract costs

Inventories are valued at the lower of cost and net realizable value.

An impairment loss is recognized when an asset's cost exceeds its estimated realizable value.

Most inventories are measured using the weighted average cost method.

Inventories and work-in-progress break down as follows:

(in € millions)	Dec. 31, 2023 Net	Dec. 31, 2024 Net
Raw materials and supplies	1,934	2,448
Finished goods	3,429	4,048
Work-in-progress	2,410	2,816
Bought-in goods	130	179
INVENTORIES AND WORK-IN-PROGRESS	7,903	9,491

Movements in inventories and work-in-progress can be analyzed as follows:

(in € millions)	Gross	Impairment	Net
Inventories and work-in-progress at Dec. 31, 2023	9,038	(1,135)	7,903
Movements during the period	1,446	-	1,446
Net impairment	-	19	19
Reclassifications	1	4	5
Changes in scope of consolidation	22	(1)	21
Foreign exchange differences	106	(9)	97
INVENTORIES AND WORK-IN-PROGRESS AT DEC. 31, 2024	10,613	(1,122)	9,491

Contract costs solely include costs to fulfill contracts that do not fall within the scope of other standards (IAS 16, IAS 38 and IAS 2 in particular).

In particular, this corresponds to highly specific development costs incurred as part of a contract for the sale of goods where there is only one customer, and applies to both original equipment and spare parts, and there is no alternative development usage. They may also include discounts in kind granted to a customer on an entire contract.

Contract costs break down as follows:

(in € millions)	Dec. 31, 2023			Dec. 31, 2024		
	Gross	Impairment	Net	Gross	Impairment	Net
Costs to fulfill contracts	818	(65)	753	926	(42)	884
CONTRACT COSTS	818	(65)	753	926	(42)	884

6.2.2 Contract assets and liabilities

Changes in net contract assets (liabilities) can be analyzed as follows:

(in € millions)	Dec. 31, 2023			Dec. 31, 2024		
	Gross	Impairment	Net	Gross	Impairment	Net
Contract assets	2,173	(16)	2,157	2,521	(18)	2,503
Contract assets	2,173	(16)	2,157	2,521	(18)	2,503
Advances and downpayments received	(7,132)		(7,132)	(8,150)		(8,150)
Deferred income	(5,818)		(5,818)	(6,459)		(6,459)
Other contract liabilities	(2,079)		(2,079)	(1,812)		(1,812)
Contract liabilities	(15,029)		(15,029)	(16,421)		(16,421)
CONTRACT ASSETS AND LIABILITIES	(12,856)	(16)	(12,872)	(13,900)	(18)	(13,918)

Deferred income mainly includes funding received for development work and under service contracts based on flight hours or landings that has not yet been recognized in revenue. In 2024, funding received for development work and under service contracts based on flight hours or landings was €658 million more than the revenue recognized.

Impairment of contract assets is recognized on the same basis as that applied to trade and other receivables (see Note 6.2.3 "Trade and other receivables").

Changes in contract liabilities can be analyzed as follows:

(in € millions)	
Contract liabilities at Dec. 31, 2023	(15,029)
Increase in amounts received net of revenue recognized in the period	(4,236)
Revenue recognized in the period and included in the opening balance of contract liabilities	2,885
Other changes	17
Changes in scope of consolidation	(22)
Foreign exchange differences	(36)
CONTRACT LIABILITIES AT DEC. 31, 2024	(16,421)

6.2.3 Trade and other receivables

Trade and other operating receivables are initially recognized at fair value, which generally corresponds to their face value.

A provision is accrued for any receivables considered at risk (i.e., payment default at maturity, insolvency proceedings, etc.), based on a case-by-case analysis.

Trade and other receivables are written down using the IFRS 9 simplified impairment approach, as they generally fall due in the short term. This approach involves calculating impairment at an amount at the reporting date equal to lifetime expected credit losses.

The allowance for expected credit losses is calculated for amounts owed by all customers, except major customers deemed low risk or the government, for which no allowance is generally recognized on a collective basis.

This collective assessment is made for each region using an indicator based on the credit ratings of airline companies (i.e., official agency ratings or analyses available), since airlines represent the Group's main credit risk exposure.

Changes in trade and other receivables can be analyzed as follows:

(in € millions)	Dec. 31, 2023 Net	Movements during the period	Impairment/ reversal	Changes in scope of consolidation	Reclassifications	Effect of changes in foreign exchange rates	Dec. 31, 2024 Net
Operating receivables	8,240	1,116	(33)	21	(10)	51	9,385
Other receivables	1,177	(7)	3	8	1	5	1,187
TRADE AND OTHER RECEIVABLES	9,417	1,109	(30)	29	(9)	56	10,572

Trade and other receivables (included within operating receivables) fall due as follows:

(in € millions)	Carrying amount at year-end	Not past due	Past due at year-end (in days)					Total past due
			<30	31-90	90-180	181-360	>360	
Trade receivables, net, at Dec. 31, 2023	6,835	5,964	367	188	132	95	89	871
Gross trade receivables	7,214	6,072	377	190	146	105	324	1,142
Impairment	(379)	(108)	(10)	(2)	(14)	(10)	(235)	(271)
TRADE RECEIVABLES, NET, AT DEC. 31, 2024	7,256	6,273	449	218	168	85	63	983
Gross trade receivables	7,669	6,380	455	220	170	97	347	1,289
Impairment	(413)	(107)	(7)	(1)	(2)	(12)	(284)	(306)

6.2.4 Other current financial assets and liabilities

Other financial assets and liabilities include:

(in € millions)	Dec. 31, 2023			Dec. 31, 2024		
	Gross	Impairment	Net	Gross	Impairment	Net
Loans to non-consolidated companies	123	(28)	95	142	(7)	135
Loans to employees	3	-	3	3	-	3
Deposits and guarantees	5	-	5	5	-	5
Other	167	-	167	100	-	100
OTHER CURRENT FINANCIAL ASSETS	298	(28)	270	250	(7)	243

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Payables on purchases of property, plant and equipment and intangible assets	132	144
Payables on purchases of investments	8	4
OTHER CURRENT FINANCIAL LIABILITIES	140	148

6.3 Equity and dividends

6.3.1 Total equity

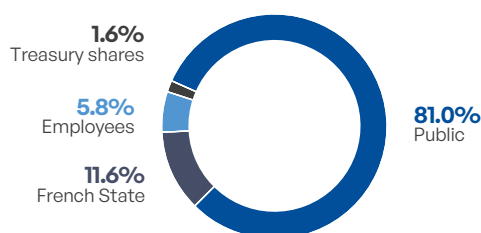
Share capital

In 2024, Safran purchased a total of 3,627,954 shares for €750 million.

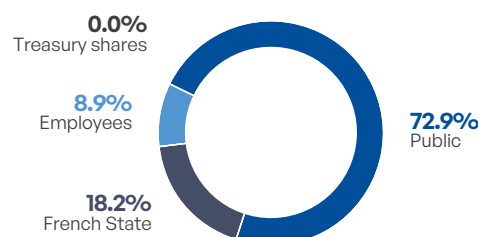
In December 2024, these shares held in treasury were canceled, reducing the share capital from €85,452,108.20 to €84,726,517.40.

The structure of the share capital at December 31, 2024 was as follows:

BREAKDOWN OF SHARE CAPITAL



BREAKDOWN OF VOTING RIGHTS



Each share carries entitlement to one vote. Shares held in registered form for over two years have double voting rights.

The 6,857,467 treasury shares have no voting rights.

Treasury shares

The Annual General Meeting has authorized the Board of Directors to buy and sell shares in the Company in accordance with the applicable laws and regulations.

An authorization granted by the Annual General Meeting of May 23, 2024 and valid for 18 months set the maximum purchase price at €300 per share, thereby superseding the authorization granted by the Annual General Meeting of May 25, 2023.

Liquidity agreement

In February 2019, Safran entered into a new liquidity agreement with Oddo BHF SCA for a period of 12 months, automatically renewable from year to year.

Under this liquidity agreement, in 2024, Safran:

- purchased 2,040,579 shares for €411 million;
- sold 2,019,176 shares for €406 million.

At December 31, 2024, 115,834 shares were held in connection with the liquidity agreement.

Share buyback tranches

Agreement with an investment services provider dated January 12, 2024 to buy back its own shares

Maximum total amount excluding tax under this tranche: €450 million.

Implementation period: from January 16, 2024 to March 1, 2024.

Purpose of the tranche: allocation or sale to employees or corporate officers of Safran or Safran Group companies and hedging of debt securities carrying rights to shares.

Number of shares bought back under the tranche: 828,201 shares.

Total price excluding tax under this tranche: €140 million.

Implementation suspended after the share price exceeded the maximum buyback price of €175 per share set by the Annual General Meeting of May 25, 2023.

Agreement with an investment services provider dated May 29, 2024 to buy back its own shares

Total price excluding tax under this tranche: €421 million.

Implementation period: from May 30, 2024 to June 19, 2024.

Purpose of the tranche: allocation or sale to employees or corporate officers of Safran or Safran Group companies and hedging of debt securities carrying rights to shares (convertible bonds maturing in 2028).

Number of shares bought back under the tranche: 2,027,600 shares.

Agreement with an investment services provider dated June 28, 2024 to buy back its own shares

Total price excluding tax: €250 million.

Implementation period: from July 1, 2024 to August 8, 2024.

Purpose of the tranche: cancellation of shares.

Number of shares bought back under the tranche: 1,262,036 shares.

Agreement with an investment services provider dated September 20, 2024 to buy back its own shares

Total price excluding tax: €500 million.

Implementation period: from September 23, 2024 to December 9, 2024.

Purpose of the tranche: cancellation of shares.

Number of shares bought back under the tranche: 2,365,918 shares.

On December 12, 2024, the share capital was reduced by canceling the 3,627,954 ordinary shares bought back by Safran in the two aforementioned tranches.

	2023 treasury shares	2024 treasury shares
Treasury shares at January 1	2,687,189	13,733,425
Net purchases (sales) under the liquidity agreement	(127,704)	21,403
Purchases outside the liquidity agreement	11,176,106	6,483,755
Delivery of performance shares or free shares without performance conditions*	(2,166)	(439,008)
Delivery upon exercise of conversion rights attached to debt securities carrying rights to shares	-	(9,314,154)
Cancellation	-	(3,627,954)
NUMBER OF TREASURY SHARES AT DECEMBER 31	13,733,425	6,857,467

Sign convention for movements: positive = increase in treasury shares/negative = decrease in treasury shares.

* Including delivery of shares ahead of term.

6.3.2 Share-based payment

The Group grants various share-based payments to its employees, including free shares, long-term variable compensation in the form of performance shares and leveraged or unleveraged savings plans.

As all of the Group's plans are equity-settled, the fair value of the benefits granted to employees under these plans is estimated on the basis of the share price at the grant date.

For plans that are subject to performance conditions, the external conditions are included in the per-share fair value at the grant date. Internal conditions (continuing service conditions, performance indicators, etc.) are revised at each reporting date and reflected in the number of instruments.

For plans not subject to performance conditions, rights are granted solely subject to the employee's effective presence in the Company throughout the vesting period.

These employee benefits represent payroll costs and are recognized on a straight-line basis over the vesting period, with an offsetting entry to consolidated retained earnings for equity-settled plans.

Grant of free shares subject to performance conditions

The Board of Directors periodically grants performance shares to Group employees and corporate officers.

The rights to the free shares were measured at fair value at the grant date. The Black & Scholes model was used to model the fair value of the free shares subject to the performance condition linked to trends in the Safran share price over the three-year vesting period. The fair value measurement takes into account the opportunity cost of not receiving dividends during the vesting period.

In the Group's consolidated financial statements, the payroll cost relating to plans not yet fully vested is recognized against equity on a straight-line basis over the vesting period (i.e., 36 months). The expense is determined on the basis of previous valuations and revised assumptions concerning internal conditions and the number of shares still outstanding.

The Group set up a performance share plan on March 21, 2024 covering 436,816 shares. Shares under this plan will only vest if certain internal and external performance conditions are met, as assessed over three fiscal years, and provided the beneficiaries still form part of the Group at the vesting date.

Key details of outstanding performance share plans at December 31, 2024 are shown below:

	2022 performance shares	2023 performance shares	2024 performance shares
Shareholder authorization	May 26, 2021	May 26, 2021	May 25, 2023
Grant date by the Board of Directors	March 24, 2022	March 23, 2023	March 21, 2024
Vesting date	March 25, 2025	March 23, 2026	March 23, 2027
Share price at the grant date	€104.56	€134.70	€206.65
Number of beneficiaries at the grant date	964	1,127	942
Number of performance shares granted	784,171	799,866	436,816
Number of shares canceled or forfeited	(51,400)	(38,148)	(8,461)
Number of shares delivered	(1,920)	-	-
NUMBER OF PERFORMANCE SHARES OUTSTANDING AT DECEMBER 31, 2024	730,851	761,718	428,355

The share-based payment expense for these performance share plans, recognized within personnel costs under "Other employee costs", totaled €63.1 million in 2024 (€64.2 million in 2023).

Grant of free shares without performance conditions

In accordance with the authorization granted by the Annual General Meeting of May 25, 2023, the Board of Directors decided at its meeting on the same date to grant free Company shares to Group employees.

Under the grant, employees of Group companies worldwide and on the payroll at February 25, 2023, i.e., 85,519 employees, each received 10 shares.

All the free shares granted by Safran will be equity-settled, except in countries where regulatory, tax or labor conditions do not allow for free share grants. In such countries, plan beneficiaries (1,384 employees outside France identified at the grant date) will receive a cash amount valued at the average price of the Safran share over the 20 trading days preceding the delivery date of the shares.

The rights to the free shares were measured at fair value at the grant date. The value of the shares at the grant date was reduced by the estimated present value of the future dividends that will not be paid to employees during the vesting period.

The expense recognized in respect of these shares, included within personnel costs under "Other employee costs", totaled €43 million in 2024 (€25 million in 2023).

TERMS AND CONDITIONS OF THE FREE SHARE GRANT

	France	International
Date of the Annual General Meeting	May 25, 2023	May 25, 2023
Grant date ⁽¹⁾	May 25, 2023	May 25, 2023
Vesting date ⁽²⁾	May 28, 2025	May 28, 2025
Estimated number of beneficiaries at the grant date	45,954	39,565
Number of shares per employee	10	10
Total number of shares approved at the grant date	459,540	395,650
Number of shares delivered	910	460
Probable number of shares to be delivered including impact of employee turnover at December 31, 2024	391,495	232,150
Share price at the grant date	€137.14	€137.14
Fair value of the shares at the grant date ⁽³⁾	€134.04	€134.04

(1) Date of the Board of Directors' decision to grant the shares.

(2) The shares will vest subject to the beneficiary forming part of the Group at the vesting date.

(3) The fair value of the shares is determined on the basis of the share price at the grant date, as adjusted for dividends expected during the vesting period.

6.3.3 Convertible bonds (OCEANES)

Convertible bonds are considered as instruments comprising:

- a debt component. At the issue date, this component is measured based on contractual future cash outflows (coupons and redemption value) discounted at the applicable market rate for a financial instrument with similar characteristics and no conversion rights. Subsequently, the debt component is recognized at amortized cost based on an effective interest rate including coupons, the conversion premium and the allocated share of expenses. The value of the debt component on the balance sheet is thereby increased in each period so as to equal its redemption value at maturity;
- an equity component. This is calculated as the difference between the bond issue price and the fair value of the debt component, and is recorded in equity under "Consolidated reserves and retained earnings". It continues to be carried at cost, with no subsequent remeasurement.

Issue costs are allocated between the two components in proportion to their respective amounts.

2020-2027 OCEANES

On May 15, 2020, Safran issued 7,391,665 bonds convertible into new shares and/or exchangeable for existing shares ("OCEANES") (the "initial bonds"), each with a par value of €108.23, i.e., representing a total nominal amount of €800 million. The issue price of the initial bonds was 100% of par.

On October 12, 2020, Safran carried out a tap issue of 1,847,916 bonds convertible into new shares and/or exchangeable for existing shares ("OCEANES") (the "additional bonds"), each with a par value of €108.23, i.e., representing a total nominal amount of €200 million. The additional bonds were issued at a price of €118 per bond, representing a total issue price of €218 million.

The additional bonds carried the same terms and conditions (with the exception of the issue price) as the initial bonds, with which they were fully fungible and with which they formed a single series.

The bonds bore interest at an annual rate of 0.875%, payable annually in arrears.

Following the May 30, 2024 dividend payment and in accordance with the terms and conditions of the bonds, the bond conversion ratio has been 1.029 shares for one bond since May 30, 2024. This conversion ratio was previously 1.019 Safran shares for one 2027 OCEANE bond.

On May 29, 2024, Safran announced that it would redeem these bonds (originally maturing on May 15, 2027) ahead of term on June 28, 2024. Bondholders had the option of requesting the exercise of their conversion right up to and including June 18, 2024. A total of 729,306 OCEANE bonds were converted at a conversion ratio of 1.019 shares, and 8,329,456 OCEANE bonds were converted at a conversion ratio of 1.029 shares, representing 9,314,154 Safran shares delivered in total.

On June 28, 2024, the 180,819 bonds still outstanding were redeemed at par plus interest accrued since the most recent coupon payment date, i.e., €108.34416 per bond, for a total of €19.6 million.

2021-2028 OCEANES

On June 14, 2021, Safran issued 4,035,601 bonds convertible into new shares and/or exchangeable for existing shares ("OCEANES"), each with a par value of €180.89, i.e., representing a total nominal amount of €730 million. The bonds do not carry any coupon.

The bonds were issued at a price of €187.22 per bond, representing a total issue price of €756 million.

Bondholders have the option of converting their bonds into shares. This option can be exercised at any point from the issue date and up to the seventh trading day (exclusive) preceding the standard or early redemption date.

Following the May 30, 2024 dividend payment and in accordance with the terms and conditions of the bonds, the bond conversion ratio has been 1.009 shares for one bond since May 30, 2024. This conversion ratio, which was previously 1.003 shares for one bond, was calculated by the bond calculation agent in accordance with the calculation formula stipulated in the terms and conditions of the bonds based on the following inputs:

- previous bond conversion ratio: 1.003 shares for one bond;
- share price: €217.4075;
- dividend per share paid in 2024 in respect of 2023: €2.20.

The bonds come with an early redemption option that the bearer may trigger in the event of a change of control and that the issuer may trigger (i) as from April 1, 2025, if the share price multiplied by the bond conversion ratio exceeds 130% of the par value of the bonds or (ii) at any time, if the number of bonds outstanding represents less than 20% of the number of bonds originally issued.

Unless converted, redeemed or repurchased and canceled prior to maturity, the bonds are redeemable at par on April 1, 2028.

After deducting issuance fees, a total of €712 million was recognized under interest-bearing financial liabilities, corresponding to the present value of cash flows from a similar bond with no conversion rights (see Note 6.5.2, "Interest-bearing financial liabilities").

The effective annual interest rate on the liability component is 0.376% including issuance fees.

The option component recognized in equity was valued at €39 million on the issue date, or €29 million after the deferred tax impact.

6.3.4 Dividend distribution

At the Annual General Meeting of May 23, 2024, the shareholders approved a dividend payment of €2.20 per share in respect of 2024. The dividend was paid on May 30, 2024, entirely in cash.

The total dividend (€940 million) approved by the Annual General Meeting was based on the total number of shares comprising the Company's share capital at that date.

At the payment date, Safran held 13.3 million of its own shares. As the shares bought back were not entitled to dividends, the dividend payment amounted to €911 million (see the consolidated statement of cash flows).

At the Annual General Meeting to be held on May 22, 2025 to approve the financial statements for the year ended December 31, 2024, the Board of Directors will recommend a dividend payment of €2.90 per share in respect of 2024, representing a total payout of €1,229 million.

6.3.5 Translation adjustments

In 2024, other comprehensive income relating to translation adjustments includes €315 million in translation gains (€135 million in translation losses in 2023) arising in the year on foreign operations.

6.4 Provisions and post-employment benefits

Provisions reflect management's best estimates using available information, past experience and, in some cases, estimates by independent experts.

Provisions maturing in more than one year, or whose maturity is not specifically defined, are classified under "Other provisions – non-current portion".

PROVISIONS FOR PERFORMANCE WARRANTIES

These provisions are recorded to cover the Group's share of probable future disbursements under performance warranties. They are calculated as appropriate based on technical files or statistics, particularly with respect to the return of parts under warranty and the estimated cost of repairs.

PROVISIONS FOR LOSSES ON COMPLETION

When a contract recognized on a percentage-of-completion basis becomes onerous, the expected loss is recognized in the financial statements. Costs to fulfill contracts, if any, are written down, and a provision for losses on completion is booked for the residual balance of the loss.

LOSSES ARISING ON DELIVERY COMMITMENTS

Sales contracts (or combinations of contracts) may be onerous. In cases where losses are likely to be incurred, the Group recognizes a provision for losses arising on delivery commitments.

In the case of original equipment sales contracts, the expected economic benefits correspond to the highly probable cash flows from spare part sales and service activities provided under the contracts. The cash flows used in this analysis are discounted to take into account their spread over time. Under onerous contracts, losses arising on delivery commitments are recognized primarily as a deduction from inventories and work-in-progress (for the completed portion of the contract and directly related to the contract or combination of contracts), and shown in provisions for work to be completed.

PROVISIONS FOR RESTRUCTURING COSTS

A provision exists when there is a detailed restructuring plan and the plan has begun to be implemented or its main features have been announced.

PROVISIONS FOR POST-EMPLOYMENT BENEFITS

The relevant accounting principles are set out in Note 6.4.2.

6.4.1 Overview of provisions

Provisions break down as follows:

(in € millions)	Dec. 31, 2023	Additions	Reversals			Changes in scope of consolidation	Other	Dec. 31, 2024
			Utilizations ⁽¹⁾	Reclassifications ⁽¹⁾	Surplus ⁽²⁾			
Performance warranties	1,034	241	(138)	-	(30)	1	7	1,115
Financial commitments linked to the sale of Group products	2	3	-	-	(8)	-	6	3
Post-employment benefits ⁽³⁾	690	77	(81)	(3)	(1)	1	(10)	673
Sales agreements	174	181	(30)	-	(25)	-	4	304
Provisions for losses on completion and losses arising on delivery commitments	277	89	(25)	-	(3)	92	4	434
Disputes and litigation	41	25	(9)	-	(4)	5	-	58
Other	393	169	(131)	-	(12)	(7)	9	421
PROVISIONS	2,611	785	(414)	(3)	(83)	92	20	3,008
Non-current	1,547							1,835
Current	1,064							1,173

(1) These reversals in respect of expenses for the period or reclassifications had no impact on profit for the period.

(2) Including the foreign exchange difference resulting from fluctuations in the EUR/USD exchange rate in first-half 2024.

(3) Of which a negative €11 million within "Other", corresponding to the impact of changes in the discount and inflation rates, which is recorded through equity.

Movements in provisions had a €285 million negative income statement impact, which can be analyzed as follows:

- a negative €585 million recognized in recurring operating income with an income statement impact;
- a positive €413 million recognized with no impact on income (provision utilization);
- a negative €41 million recognized in non-recurring operating income;
- a negative €72 million recognized in financial income (loss).

6.4.2 Analysis of pension and other post-employment benefits

Presentation of post-employment benefits

POST-EMPLOYMENT BENEFITS

The Group grants its employees post-employment benefits (pensions, termination payments, early retirement plans, etc.) as well as other long-term benefits including long-service awards, jubilee benefits and loyalty premiums.

For its basic plans and other defined contribution plans, the contribution paid in the period is recognized in expenses when due. No provision is recorded.

Provisions recognized for obligations under defined benefit plans are measured using the projected unit credit method. This determines, for each employee, the present value of the benefits to which the employee's current and past services will grant entitlement on retirement. The actuarial calculations include demographic (retirement date, employee turnover rate, etc.) and financial (discount rate, salary increase rate, etc.) assumptions, and are performed at the end of each reporting period for which accounts are published.

When plans are funded, the plan assets are placed with entities that are responsible for paying the benefits in the countries concerned. These assets are measured at fair value. Provisions are recorded to cover shortfalls in the fair value of plan assets compared with the present value of the Group's obligations.

An asset surplus is only recognized in the balance sheet when it represents future economic benefits effectively available to the Group.

Changes in actuarial gains and losses arising on defined benefit plans are recognized in "Other comprehensive income" within equity and not subsequently reclassified to profit.

The Group distinguishes between operating components and financial components when presenting defined benefit expense:

- service cost for the period is shown in profit from operations, along with past service costs arising on the introduction of a new plan or curtailments or settlements of an existing plan, which are recognized immediately in this caption;
- the cost relating to unwinding the discount on the net pension liability (asset) is shown in financial income (loss).

France

Defined benefit pension plans

This heading includes a defined benefit supplementary pension plan that was closed to new entrants on December 31, 2017 and under which all conditional entitlements were frozen as of December 31, 2016.

The beneficiaries of this closed plan are Group executive managers with five years' service at December 31, 2017.

Retirement termination benefits

This heading includes obligations in respect of statutory termination benefits due on retirement and supplementary payments required by the collective bargaining agreement for the metallurgy industry.

Other long-term benefits

In France, other long-term benefits mainly comprise obligations in respect of long-service awards and bonuses.

United Kingdom

Defined benefit pension plans

There are three pension funds in place at Safran Landing Systems UK Ltd/Safran Landing Systems Services UK Ltd, Safran Nacelles Ltd and Safran UK. These pension funds have been contracted out, which means they replace the mandatory supplementary pension plan. The funds are managed by trustees. Beneficiaries no longer accrue any rights under these plans.

Rest of the world

The Group offers its other employees post-employment benefits and long-service bonuses in accordance with local laws and practices. The main regions concerned in relation to continuing operations are:

- Americas: pension funds in the United States (now frozen) and Canada, retirement termination benefits in Mexico;
- Europe: pension funds in Switzerland, pension funds and retirement termination benefits in Belgium, pension funds and long-service bonuses in Germany, and retirement termination benefits and long-service bonuses in Poland.

Financial position

(in € millions)	Dec. 31, 2023	Dec. 31, 2024	France	United Kingdom	Rest of the world
Gross obligation	1,333	1,321	579	387	355
Plan assets	686	705	3	433	269
Provision recognized in the accounts	690	673	577	1	95
■ Defined benefit pension plans	110	80	10	1	69
■ Retirement termination benefits	526	537	517	-	20
■ Long-service bonuses and other employee benefits	54	56	50	-	6
RECOGNIZED NET PLAN ASSETS	(43)	(57)	(1)	(47)	(9)

Pension expense breaks down as follows:

(in € millions)	2023	2024
Current service cost	(45)	(49)
Actuarial gains and losses recognized (on other long-term benefits)	2	1
Plan implementation, amendment and settlement	8	(1)
Plan administration costs	(1)	(1)
Total operating component of the pension expense	(36)	(50)
Interest cost on the net benefit obligation	(18)	(19)
Total financing component of the pension expense	(18)	(19)
PENSION EXPENSE	(54)	(69)

The Group expects to pay a total of €24 million into its defined benefit pension plans in 2025.

Main assumptions used to calculate the gross benefit obligation:

		Eurozone	United Kingdom
Discount rate	2023	3.20%	4.50%
	2024	3.50%	5.30%
Inflation rate	2023	2.00%	3.00%
	2024	2.00%	3.20%
Rate of annuity increases	2023	1.00%	3.00%
	2024	1.00%	3.20%
Rate of future salary increases	2023	0.81%-5.43%	N/A
	2024	0.81%-5.43%	N/A
Retirement age	2023	Managerial: 64/65 years Non-managerial: 62/65 years	65 years
	2024	Age at full rate	65 years

The discount rates are determined by reference to the yield on private investment-grade bonds (AA). The Group refers to the iBoxx index to calculate the benefit obligations in its two main regions (eurozone and United Kingdom).

Under the French Green Industry Law, a gender-neutral mortality table is now used to calculate the benefit obligation under Article 39 for senior executives.

As plan entitlements are not affected by this change in legislation, the impact on the obligation recognized in equity is €300,000.

Sensitivity analysis

An increase or decrease of 0.5% in the main assumptions would have the following impacts on the amount of the gross benefit obligation at December 31, 2024:

(in € millions)

SENSITIVITY (BASIS POINTS)	-0.50%	+0.50%
Discount rate	77	(69)
Inflation rate	(24)	25
Rate of future salary increases	(32)	35

For the purpose of the analysis, it was assumed that all other variables remained the same.

The change in the value of the gross projected benefit obligation would have mainly affected actuarial gains and losses recognized in other comprehensive income.

Change in the gross benefit obligation and plan assets

Change in the gross benefit obligation

(in € millions)	2023	2024	Defined benefit pension plans	Retirement termination benefits	Long-service bonuses and other employee benefits
GROSS BENEFIT OBLIGATION AT BEGINNING OF PERIOD	1,230	1,333	753	525	55
A. PENSION EXPENSE					
Current service cost	45	49	11	32	6
Actuarial gains and losses recognized (on other long-term benefits)	(2)	(1)	-	-	(1)
Plan implementation, amendment and settlement	(8)	1	-	1	-
Interest cost	47	46	29	16	1
Total expense recognized in the income statement	82	95	40	49	6

(in € millions)	2023	2024	Defined benefit pension plans	Retirement termination benefits	Long-service bonuses and other employee benefits
B. ACTUARIAL GAINS AND LOSSES ARISING IN THE PERIOD ON POST-EMPLOYMENT PLANS					
Actuarial gains and losses resulting from changes in demographic assumptions	(7)	(1)	(1)	-	-
Actuarial gains and losses resulting from changes in financial assumptions	36	(52)	(39)	(13)	-
Experience adjustments	37	20	3	17	-
Total revaluation recognized in other comprehensive income for the period	66	(33)	(37)	4	-
C. OTHER ITEMS					
Employee contributions	4	4	4	-	-
Benefits paid	(74)	(96)	(52)	(40)	(4)
Changes in scope of consolidation	10	1	3	(1)	(1)
Foreign exchange differences	15	17	17	-	-
Total other items	(45)	(74)	(28)	(41)	(5)
GROSS BENEFIT OBLIGATION AT END OF PERIOD	1,333	1,321	728	537	56
Average weighted term of pension plans	13	12	14	10	8

Change in the fair value of plan assets

(in € millions)	2023	2024	Defined benefit pension plans	Retirement termination benefits	Long-service bonuses and other employee benefits
FAIR VALUE OF PLAN ASSETS AT BEGINNING OF PERIOD	670	686	686	-	-
A. INCOME					
Interest income on plan assets	29	27	27	-	-
Plan administration costs	(1)	(1)	(1)	-	-
TOTAL INCOME RECOGNIZED IN THE INCOME STATEMENT	28	26	26	-	-
B. ACTUARIAL GAINS AND LOSSES ARISING IN THE PERIOD ON POST-EMPLOYMENT PLANS					
Return on plan assets (excluding interest income component)	(20)	(11)	(11)	-	-
TOTAL REVALUATION RECOGNIZED IN OTHER COMPREHENSIVE INCOME FOR THE PERIOD	(20)	(11)	(11)	-	-
C. OTHER ITEMS					
Employee contributions	4	4	4	-	-
Employer contributions	24	25	24	-	-
Benefits paid	(34)	(50)	(49)	-	-
Changes in scope of consolidation	1	6	6	-	-
Foreign exchange differences	13	19	19	-	-
Total other items	8	4	4	-	-
FAIR VALUE OF PLAN ASSETS AT END OF PERIOD	686	705	705	-	-

Asset allocation

	United Kingdom % allocation at		Other European countries % allocation at	
	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024
Shares	3.68%	3.09%	22.64%	22.80%
Bonds and debt instruments	79.17%	78.26%	58.55%	58.04%
Property	3.09%	3.10%	12.64%	13.28%
Mutual funds and other diversified funds	11.44%	12.54%	0.45%	0.52%
Cash and cash equivalents	2.62%	3.01%	5.30%	5.33%
Other	0.00%	0.00%	0.42%	0.03%

An active market price exists for all plan assets except property.

In the United Kingdom, the Group's long-term aim is to limit its exposure to defined benefit plans and ultimately endeavor to contract out these obligations to insurance firms under favorable market conditions. In the meantime, the Group is committed to ensuring that its pension obligations are adequately funded.

The Group's investment policy for pension funds in the United Kingdom combines safe harbor investments (in monetary funds, government bonds, bond funds), to secure the medium-term funding of obligations, with riskier investments such as in equity funds and real estate funds, whose expected profitability over the long term guarantees the financial stability of the plans.

Contributions to defined contribution plans

Defined contribution plans include statutory, supplementary and additional pension plans (in France: the "Article 83" plan for engineers and managerial-grade employees (*cadres*) and the additional "Article 83" plan and "Article 82" plan for executive managers).

The expense for 2024 recognized in respect of defined contribution plans for continuing operations represented €380 million (€342 million in 2023).

6.5 Financing and financial risk management

6.5.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and highly liquid investments which are immediately available or readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents correspond to short-term investments with maturities of less than 92 days. As bank overdrafts are treated as borrowings, they are excluded from cash and cash equivalents and included in financial liabilities.

The main types of investments used by Safran are summarized in the table below:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Money-market funds and marketable securities ⁽¹⁾	842	1,894
Term deposits	4,108	2,448
Cash and cash equivalents	1,726	2,172
CASH AND CASH EQUIVALENTS	6,676	6,514

(1) Including €394 million in money-market funds at December 31, 2024 (€92 million at December 31, 2023).

Money-market funds (UCITS, or OPCVM in French) are classified within level 1 of the IFRS 13 fair value hierarchy (see Note 6.5.5, "Fair value of financial instruments").

Term deposits at December 31, 2024 include €1,200 million in investments falling within the scope of master agreements governing the subscription of OTC derivatives with bank counterparties (see Note 6.5.5, "Fair value of financial instruments").

6.5.2 Interest-bearing financial liabilities

On initial recognition, interest-bearing financial liabilities are measured at the fair value of the amount received, less any directly attributable transaction costs. Besides the specific conditions applicable to hedge accounting, interest-bearing financial liabilities are subsequently carried at amortized cost using the effective interest rate method.

Breakdown of interest-bearing financial liabilities

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Bond issue	1,396	1,399
Convertible bonds (OCEANes)	1,701	721
Senior unsecured notes (USPP)	568	588
Lease liabilities ⁽¹⁾	469	530
Long-term borrowings	557	550
Total non-current interest-bearing financial liabilities (portion maturing in more than 1 year at inception)	4,691	3,788
Bond issue	197	-
Senior unsecured notes (USPP)	453	-
Lease liabilities	111	125
Long-term borrowings	251	293
Accrued interest not yet due	9	5
Current interest-bearing financial liabilities, long-term at inception	1,021	423
Negotiable European Commercial Paper (NEU CP)	200	200
Short-term bank facilities and equivalent	387	365
Current interest-bearing financial liabilities, short-term at inception	587	565
Total current interest-bearing financial liabilities (less than 1 year)	1,608	988
TOTAL INTEREST-BEARING FINANCIAL LIABILITIES⁽²⁾	6,299	4,776

(1) O/w €189 million due in more than five years.

(2) The fair value of interest-bearing financial liabilities amounts to €4,650 million (€6,098 million at December 31, 2023).

Main transactions during the year

- Redemption at maturity on February 9, 2024 of the last tranche of USD 505 million senior unsecured notes issued on February 9, 2012.
- Redemption at maturity on April 11, 2024 of €200 million worth of bonds issued on April 11, 2014.
- Early redemption on June 28, 2024 of bonds convertible and/or exchangeable for new and/or existing shares issued for a nominal amount of €1 billion in 2020 and originally falling due on May 15, 2027 (2027 OCEANes). At the early redemption date, 180,819 2027 OCEANes remained outstanding and were therefore redeemed at par plus accrued interest for a total amount of €19.6 million. The other 2027 OCEANes had previously been converted (see Note 6.3.3, "Convertible bond issues").

Main borrowings

Type	Nominal amount (in millions)	Issue	Maturity	Nominal amount outstanding at Dec. 31, 2024	Currency	Nominal interest rate	Fixed Floating	Interest rate after hedging (if hedged)	Fixed Floating
Bond issue									
Bonds	700	March 2021	March 2026	700	EUR	0.125%	Fixed		
Bonds	700	March 2021	March 2031	700	EUR	0.750%	Fixed		
Convertible bonds									
OCEANE	730	June 2021	April 2028	730	EUR	0%	Fixed		
EIB (European Investment Bank) loan									
EIB	500	Feb 2022	Feb 2032	500	EUR	1.091%	Fixed		
USPP (Senior unsecured notes)									
USPP	181	June 2020	June 2030	181	USD	3.10%	Fixed	2.04%	Fixed EUR
USPP	133	June 2020	June 2032	133	USD	3.30%	Fixed	2.22%	Fixed EUR
USPP	122	June 2020	June 2030	122	EUR	2.00%	Fixed		
USPP	164	June 2020	June 2032	164	EUR	2.05%	Fixed		
Other									
NEUCP	300	-	-	300	EUR	3.61%	Floating		
Lease liabilities	655	-	-	655	-				

Interest-bearing financial liabilities broken down by movements with and without a cash impact are as follows:

(in € millions)	Dec. 31, 2023	Movements with an impact on cash		Movements with no impact on cash		Other	Dec. 31, 2024
		Total cash flow	Foreign exchange differences	Change in fair value			
INTEREST-BEARING FINANCIAL LIABILITIES	6,299	(762)	(32)	7	(736)		4,776

Borrowings by currency before and after hedging

Before hedging (in millions of currency units)	Dec. 31, 2023		Dec. 31, 2024	
	Currency	EUR	Currency	EUR
EUR	5,190	5,190	4,024	4,024
USD	1,054	954	596	567
CAD	6	4	5	3
GBP	19	22	18	21
Other	N/A	129	N/A	161
INTEREST-BEARING FINANCIAL LIABILITIES		6,299		4,776

After hedging (in millions of currency units)	Dec. 31, 2023		Dec. 31, 2024	
	Currency	EUR	Currency	EUR
EUR	5,926	5,926	4,327	4,327
USD	240	218	281	264
CAD	6	4	5	3
GBP	19	22	18	21
Other	N/A	129	N/A	161
INTEREST-BEARING FINANCIAL LIABILITIES		6,299		4,776

Fixed/floating rate borrowings before and after hedging

	Total		Non-current				Current			
	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023		Dec. 31, 2024		Dec. 31, 2023		Dec. 31, 2024	
Before hedging (in € millions)	Base	Base	Base	Average interest rate	Base	Average interest rate	Base	Average interest rate	Base	Average interest rate
Fixed rate	5,950	4,400	4,601	0.90%	3,704	1.03%	1,349	3.60%	696	2.74%
Floating rate	349	376	90	2.70%	84	2.41%	259	3.82%	292	3.01%
INTEREST-BEARING FINANCIAL LIABILITIES	6,299	4,776	4,691	0.93%	3,788	1.06%	1,608	3.64%	988	2.82%

	Total		Non-current				Current			
	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023		Dec. 31, 2024		Dec. 31, 2023		Dec. 31, 2024	
After hedging (in € millions)	Base	Base	Base	Average interest rate	Base	Average interest rate	Base	Average interest rate	Base	Average interest rate
Fixed rate	5,753	4,400	4,601	0.84%	3,704	0.94%	1,152	2.68%	696	2.74%
Floating rate	546	376	90	2.69%	84	2.41%	456	4.55%	292	3.01%
INTEREST-BEARING FINANCIAL LIABILITIES	6,299	4,776	4,691	0.88%	3,788	0.97%	1,608	3.21%	988	2.82%

Maturity of interest-bearing financial liabilities

Analysis by maturity

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Maturing in:		
■ 1 year or less	1,608	990
■ More than 1 year and less than 5 years	3,043	2,101
■ Beyond 5 years ⁽¹⁾	1,648	1,685
INTEREST-BEARING FINANCIAL LIABILITIES	6,299	4,776

(1) Mainly OCEANES, other bonds and the USPP 2030 and 2032.

6.5.3 Offsetting of financial assets and liabilities

The Group does not offset financial assets against financial liabilities in its balance sheet, since the requisite conditions set out in IAS 32 are not met. Master offsetting (netting) agreements governing the subscription of OTC derivatives with bank counterparties provide for a right of set-off only in the event of default, insolvency or bankruptcy of one of the parties to the agreement.

The amounts subject to an offsetting agreement but not offset comprise a portion of the Group's derivatives with a positive fair value, since amounts can only be offset if they relate to the same counterparty.

In addition, the Group makes investments falling within the scope of master agreements governing the subscription of OTC derivatives with bank counterparties (see Note 6.5.1, "Cash and cash equivalents").

The tables above show the financial assets and liabilities for which an offsetting agreement exists.

	Gross carrying amount	Amount offset	Net amount on the balance sheet ⁽¹⁾	Amount subject to offset agreement but not offset	Net
At December 31, 2024	(a)	(b)	(c)	(d)	(c) – (d)
ASSETS					
Derivatives (positive fair value)	956	-	956	956	-
EQUITY AND LIABILITIES					
Derivatives (negative fair value)	8,818	-	8,818	956	7,862

(1) See Note 6.5, "Financing and financial risk management".

	Gross carrying amount	Amount offset	Net amount on the balance sheet ⁽¹⁾	Amount subject to offset agreement but not offset	Net
At December 31, 2023	(a)	(b)	(c)	(d)	(c) – (d)
ASSETS					
Derivatives (positive fair value)	1,577	-	1,577	555	1,022
EQUITY AND LIABILITIES					
Derivatives (negative fair value)	4,743	-	4,743	555	4,188

(1) See Note 6.5, "Financing and financial risk management".

6.5.4 Borrowings subject to specific conditions

The Group receives public financing in the form of repayable advances to develop aircraft and defense projects. Repayment of these advances is based on revenues from future sales of engines or equipment, and potentially from sales of spare parts.

Repayable advances are treated as sources of financing and are recognized in liabilities in the consolidated balance sheet under the heading "Borrowings subject to specific conditions".

At inception, they are measured at the amount of cash received or, when acquired, at the value of probable future cash flows discounted at market terms at the acquisition date. They are subsequently measured at amortized cost at the end of each reporting period, taking into account the most recent repayment estimations.

The present value of estimated repayments, based on management's best estimates, is regularly compared with the net carrying amount of repayable advances, defined as the sum of amounts received, plus any interest capitalized at the end of the reporting period, less repayments made. If as a result of this analysis the present value of estimated repayments is durably more or less than the carrying amount of the repayable advances over three consecutive years, that unrecognized portion of the present value of the advance which is higher or lower than the carrying amount is taken to profit or loss.

For certain contracts, the Group has to pay a fee based on replacement sales realized under the program once the advance has been fully repaid. This fee is not considered as repayment of an advance but as an operating expense.

Movements in this caption break down as follows:

(in € millions)

Borrowings subject to specific conditions at Dec. 31, 2023	292
New advances received	1
Advances repaid	(22)
Sub-total: changes with a cash impact	(21)
Cost of borrowings and discounting	14
Foreign exchange differences	-
Changes in scope of consolidation	4
Adjustments to the probability of repayment of advances	(2)
Sub-total: changes with no cash impact	16
BORROWINGS SUBJECT TO SPECIFIC CONDITIONS AT DEC. 31, 2024	287

Estimates as to the repayable amounts and the timing of repayments are made regarding borrowings subject to specific conditions. Adjustments to the probability of repayment of advances mainly concern civil aircraft programs.

6.5.5 Fair value of financial instruments

The different valuation techniques are assigned to a hierarchy for each financial instrument. The levels of the hierarchy are defined as follows:

- **level 1:** valuation technique that directly reflects quoted prices (unadjusted) for identical assets or liabilities in active markets;
- **level 2:** valuation technique drawing on directly or indirectly observable inputs based on data concerning the asset or liability, other than quoted prices included in level 1;
- **level 3:** valuation technique drawing on unobservable inputs.

At December 31, 2024 (in € millions)	Level in fair value hierarchy	Financial assets at amortized cost	Fair value through profit or loss	Fair value through equity	Financial liabilities at amortized cost	Fair value	Carrying amount
FINANCIAL ASSETS							
Non-consolidated investments	Level 3		394			394	394
Derivatives (positive fair value)	Levels 2 and 3		956			956	956
Other financial assets		922				922	922
Trade receivables		7,256				7,256	7,256
Operating current accounts and other receivables		168				168	168
Cash and cash equivalents	Level 1	6,120	394			6,514	6,514
FINANCIAL LIABILITIES							
Borrowings subject to specific conditions					287	287	287
Non-current interest-bearing financial liabilities					4,776	4,650	4,776
Trade payables					4,943	4,943	4,943
Payables on purchases of investments					4	4	4
Payables on purchases of property, plant and equipment and intangible assets					155	155	155
Operating current accounts					1	1	1
Derivatives (negative fair value)	Level 2					8,818	8,818

At December 31, 2023 (in € millions)	Level in fair value hierarchy	Financial assets at amortized cost	Fair value through profit or loss	Fair value through equity	Financial liabilities at amortized cost	Fair value	Carrying amount
FINANCIAL ASSETS							
Non-consolidated investments	Level 3		383			383	383
Derivatives (positive fair value)	Level 2		1,577			1,577	1,577
Other financial assets		884				884	884
Trade receivables		6,835				6,835	6,835
Operating current accounts and other receivables		196				196	196
Cash and cash equivalents	Level 1	6,584	92			6,676	6,676
FINANCIAL LIABILITIES							
Borrowings subject to specific conditions					292	292	292
Interest-bearing financial liabilities					6,299	6,098	6,299
Trade payables					4,288	4,288	4,288
Payables on purchases of investments					8	8	8
Payables on purchases of property, plant and equipment and intangible assets					175	175	175
Operating current accounts					1	1	1
Derivatives (negative fair value)	Level 2					4,743	4,743

No items were transferred between Level 1 and Level 2 or to/from Level 3 in either 2024 or 2023.

6.5.6 Foreign currency risk management

As the Group consolidates its financial statements in euros, it is exposed to fluctuations against the euro of the currencies in which its assets and liabilities are denominated and in which its operations are carried out.

To protect its earnings, the Group implements a hedging policy with the aim of reducing uncertainty factors affecting operating profitability and allowing it to adapt its cost structure to a volatile monetary environment.

Three basic principles underscore the foreign currency risk management policy defined by Safran for most of its subsidiaries:

- to protect the Group's economic performance from random fluctuations in the US dollar;
- to optimize the quality of hedging whenever possible, without jeopardizing the Group's economic performance (first principle);
- to provide visibility as regards the exchange rate applied in the Group's consolidated financial statements.

Protecting economic performance means setting a minimum USD exchange rate parity over an applicable term in order to allow frontline employees to conduct their business based on predictable exchange rates. Hedging arrangements have been made accordingly over a timeframe of four years.

The hedging policy is based on managing the financial instrument portfolio in order to guarantee a predefined minimum parity.

In building up its hedging portfolio, the Group primarily uses forward sales, accumulators and a combination of options. Certain instruments include knock-in or knock-out barrier options, representing a risk to the size of the hedge book and to targeted hedge rates in certain cases of exchange rate fluctuations.

Optimization measures are also used with a view to improving the minimum exchange rate parity, and seek to protect the Group's economic performance at all times. They are based on products that allow the Group to take advantage of any improvement in the underlying exchange rate parities.

As most of the derivatives in the portfolio have a maturity of less than one year, Safran extends derivatives in order to align their maturity with that of the flows hedged. Such extensions do not have a cash impact ("historical cost method").

The carrying amount of derivatives used to manage exchange risks is shown below:

(in € millions)	Dec. 31, 2023		Dec. 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Foreign currency risk management	1,577	(4,735)	952	(8,803)
Currency swaps	18	-	27	-
Purchase and sale of forward currency contracts	2	(45)	6	-
Currency option contracts	1,557	(4,690)	919	(8,803)

Most revenue earned in the civil aviation sector is denominated in US dollars, which is the industry's benchmark currency. The annual net surplus delivered in USD to the Group's banking counterparties for these activities totaled approximately USD 12 billion in 2024.

Foreign currency derivatives

The portfolio of foreign currency derivatives breaks down as follows:

Currency against EUR (in millions of currency units)			Dec. 31, 2024			
			Fair value ⁽¹⁾	Notional amount ⁽¹⁾	Less than 1 year	1 to 5 years
USD	Forward exchange contracts	Buy	6	(900)	(900)	-
		Sell	-	-	-	-
	Cross currency swaps		27	(314)	-	(314)
	Put options	Buy	433	56,912	56,912	-
		Sell	(3)	(6,500)	(6,500)	-
	Call options	Buy	310	(6,500)	(6,500)	-
		Sell	(8,552)	137,463	137,463	-
	Accumulators ⁽²⁾	Buy	18	(249)	(249)	-
		Sell	-	527	527	-
CAD	Call options	Buy	21	(1,334)	(1,334)	-
	Put options	Sell	(42)	(2,656)	(2,656)	-
GBP	Forward exchange contracts	Sell	-	-	-	-
	Call options	Buy	91	(1,326)	(1,326)	-
	Put options	Sell	(9)	(2,499)	(2,499)	-
MXN	Forward exchange contracts	Sell	-	-	-	-
	Call options	Buy	38	(29,301)	(28,710)	(591)
	Put options	Sell	(189)	(58,378)	(57,196)	(1,182)
FOREIGN CURRENCY DERIVATIVES PORTFOLIO			(7,851)			

(1) Fair values are expressed in millions of euros; notional amounts are expressed in millions of currency units.

(2) Notional amounts for accumulators represent the maximum cumulative amount until the instrument is unwound.

In the balance sheet, changes in the fair value of outstanding currency hedging instruments for the year represent a negative €4,693 million between December 31, 2023 and December 31, 2024.

In the income statement, the Group has chosen not to apply hedge accounting to these derivatives (IFRS 9). As a result, any changes in the fair value of these instruments are recognized in full in "Financial income (loss)".

Exposure and sensitivity to foreign currency risk

The exposure of the Group's financial instruments to EUR/USD foreign currency risk can be summarized as follows:

(in USD millions)	Dec 31, 2023	Dec. 31, 2024
Total assets excluding derivatives	2,890	2,976
Total liabilities excluding derivatives	(3,632)	(3,996)
Derivatives hedging balance sheet positions ⁽¹⁾	717	1,446
NET EXPOSURE AFTER THE IMPACT OF DERIVATIVES HEDGING BALANCE SHEET POSITIONS	(25)	426

(1) Notional amount.

Assets and liabilities excluding derivatives primarily consist of operating receivables and payables denominated in USD in the balance sheets of Group subsidiaries whose functional currency is the euro, and unsecured notes issued by Safran on the US private placement market for USD 0.3 billion. After setting up the cross currency swap to hedge the foreign currency risk on USD unsecured notes (see "Exposure to USD interest rate risk"), virtually all of these assets and liabilities are hedged by foreign currency hedging derivatives.

In addition to this net exposure, the Group has EUR/USD currency derivatives hedging revenue net of future purchases. These instruments had a negative fair value of USD 8,168 million, compared to a total negative fair value of USD 8,097 million for EUR/USD currency derivatives at December 31, 2024 (negative fair value of USD 3,643 million and USD 3,626 million, respectively, at December 31, 2023).

The sensitivity of financial instruments to a 5% increase or decrease in the EUR/USD exchange rate is as follows:

Impact on balance sheet positions (in € millions)	Dec. 31, 2023 USD		Dec. 31, 2024 USD	
Closing rate		1.11		1.04
EUR/USD exchange rate change assumptions	-5%	+5%	-5%	+5%
EUR/USD exchange rate used for sensitivity analysis	1.05	1.16	0.99	1.09
Impact recognized through profit or loss (before tax)	(3,058)	1,598	(4,726)	3,240
Impact recognized through equity (before tax)	-	-	-	-

6.5.7 Interest rate risk management

The Group's exposure to fluctuations in interest rates covers two types of risk:

- fair value risk in respect of fixed-rate financial assets and liabilities. Interest rate fluctuations impact the market value of these assets and liabilities as well as the Group's balance sheet;
- cash flow risks in respect of floating-rate financial assets and liabilities. Interest rate fluctuations have a direct impact on the Group's profit or loss.

Within the framework of its interest rate risk management policy, the Group arbitrates between these two types of risks using financial instruments specific to fixed-income markets (interest rate swaps and options, etc.).

The carrying amount of derivatives used to manage market risks is shown below:

(in € millions)	Dec. 31, 2023		Dec. 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Interest rate risk management	-	(8)	-	(15)
Floating-for-fixed interest rate swaps	-	(5)	-	(15)
Fixed-for-floating interest rate swaps	-	(3)	-	-

Exposure to EUR interest rate risk

Interest rate swaps were taken out to convert the fixed rate payable on the €200 million bond issue carried out in first-half 2014 and maturing in April 2024 to a floating rate. This was redeemed during the year.

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Change in fair value of hedging instrument	3	-
Change in fair value of hedged item	(3)	-
IMPACT OF FAIR VALUE EUR INTEREST RATE HEDGES ON FINANCIAL INCOME (LOSS)	-	-

Exposure to EUR interest rate risk before and after hedging:

Dec. 31, 2023 (in € millions)	Current		Non-current		Total	
	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Interest-bearing financial liabilities	799	250	4,083	58	4,882	308
Other financial assets	181	93	310	210	491	303
Cash and cash equivalents	3,179	2,896	-	-	3,179	2,896
Net exposure before hedging	(2,561)	(2,739)	3,773	(152)	1,212	(2,891)
Derivatives ⁽¹⁾	257	200	284	-	541	200
NET EXPOSURE AFTER HEDGING	(2,304)	(2,539)	4,057	(152)	1,753	(2,691)

(1) Notional amount.

Dec. 31, 2024 (in € millions)	Current		Non-current		Total	
	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Interest-bearing financial liabilities	579	284	3,109	52	3,688	336
Other financial assets	139	101	325	217	464	318
Cash and cash equivalents ⁽¹⁾	5,708	71	-	-	5,708	71
Net exposure before hedging	(5,268)	112	2,784	(165)	(2,484)	(53)
Derivatives ⁽²⁾	-	-	302	-	302	-
NET EXPOSURE AFTER HEDGING	(5,268)	112	3,086	(165)	(2,182)	(53)

(1) In 2024, the floating-rate exposure of the Group's cash and cash equivalents increased significantly, owing to a diversification of our liquidity management strategy in the specific environment of rising interest rates.

(2) Notional amount.

Exposure to USD interest rate risk

On July 21, 2020, a cross currency swap (USD fixed-rate lender/EUR fixed-rate borrower) was set up on two USD tranches of the June 29, 2020 senior unsecured notes issue on the US private

placement market (USPP), amounting to USD 181 million bearing fixed-rate interest over a period of 10 years (tranche A) and USD 133 million bearing fixed-rate interest over a period of 12 years (tranche B). The interest rate portion of the cross currency swap is eligible for cash flow hedge accounting.

	Dec. 31, 2023					Dec. 31, 2024				
	Fair value	Notional amount (USD)	Less than 1 year	1 to 5 years	More than 5 years	Fair value	Notional amount (USD)	Less than 1 year	1 to 5 years	More than 5 years
<i>(in € millions)</i>										
USD interest rate swaps										
Fixed-for-floating	(2)	505	505	-	-	-	-	-	-	-
Floating-for-fixed	(5)	819	505	-	314	(15)	314	-	-	314
TOTAL	(7)					(15)				

For the senior unsecured notes issued on the US market, changes in the fair value of the hedging instrument and the hedged item within the scope of the fair value hedge are recognized in "Financial income (loss)" as follows:

	Dec. 31, 2023	Dec. 31, 2024
<i>(in € millions)</i>		
Change in fair value of hedging instrument	11	-
Change in fair value of hedged item	(12)	-
IMPACT OF FAIR VALUE USD INTEREST RATE HEDGES ON FINANCIAL INCOME (LOSS)	(1)	-

Exposure to USD interest rate risk before and after hedging:

Dec. 31, 2023 <i>(in USD millions)</i>	Current		Non-current		Total	
	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Interest-bearing financial liabilities	578	2	471	3	1,049	5
Other financial assets	-	11	86	8	86	19
Cash and cash equivalents	89	399	-	-	89	399
Net exposure before hedging	489	(408)	385	(5)	874	(413)
Derivatives ⁽¹⁾	(505)	-	(314)	-	(819)	-
Net exposure after hedging	(16)	(408)	71	(5)	55	(413)

(1) Notional amount.

Dec. 31, 2024 <i>(in USD millions)</i>	Current		Non-current		Total	
	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Interest-bearing financial liabilities	88	3	505	-	593	3
Other financial assets	-	10	110	5	110	15
Cash and cash equivalents ⁽¹⁾	286	217	-	-	286	217
Net exposure before hedging	(198)	(224)	395	(5)	197	(229)
Derivatives ⁽²⁾	-	-	(314)	-	(314)	-
Net exposure after hedging	(198)	(224)	81	(5)	(117)	(229)

(1) In 2024, the floating-rate exposure of the Group's cash and cash equivalents increased significantly, owing to a diversification of our liquidity management strategy in the specific environment of rising interest rates.

(2) Notional amount.

Sensitivity to interest rate risk

The aggregate sensitivity of net exposures to EUR and USD interest rate risk after the impact of hedging is shown below:

Impact of changes in interest rates (in € millions)	Dec. 31, 2023	Dec. 31, 2024
Interest rate change assumptions	+1%	+1%
Impact on profit or loss (before tax)	31	3
Impact on equity (before tax)	-	-

6.5.8 Management of risks on Power Purchase Agreements

Following the signature of a Virtual Power Purchase Agreement (VPPA) for an expected total production of 247 Gwh (12-year agreement) in the United States in late 2023, in February 2024, Safran signed a 21-year agreement in Malaysia based on an expected total output of 15 GWh per annum.

With the exception of the certificates of origin component, these VPPAs are treated as derivative instruments in accordance with IFRS 9 and are measured at fair value through financial income (loss).

At December 31, 2024, the fair value of these two derivatives recognized on the assets side of the balance sheet was around €4 million.

The Group-wide impact of changes in the fair value of VPPAs was not material.

6.5.9 Counterparty risk management

The Group is exposed to counterparty risk on the following:

- short-term financial investments;
- derivatives;
- trade receivables;
- financial guarantees granted to customers;
- undrawn lines of credit.

Financial investments are diversified and consist of blue-chip securities that are traded with top-tier banks.

The sole purpose of the Group's derivative transactions is to reduce the overall exposure to foreign currency and interest rate risks resulting from its ordinary business activities. Transactions are either carried out on organized markets or over-the-counter with top-tier intermediaries.

The Group's credit facilities are taken out with top-tier banks.

During the year, the Group closely monitored its bad debt risks to ensure the collection of its current and future receivables. A provision was accrued based on a case-by-case analysis for any receivables and assets considered at risk (see Note 6.2.3, "Trade and other receivables").

The impairment rate for expected credit losses was 0.52% at end-2024, unchanged from the previous year-end.

Note 6.2.3, "Trade and other receivables" provides a breakdown of trade receivables by maturity.

6.5.10 Liquidity risk management

Treasury management is centralized within the Group. Where permitted by local legislation, all surplus cash is invested with, and the financing requirements of subsidiaries met by, the parent company on an arm's length basis. Safran SA manages the Group's current and forecast financing requirements, and ensures that it has the ability to meet its financial commitments while maintaining a level of available cash funds and confirmed credit facilities commensurate with its scale and debt repayment profile.

Credit rating

Standard & Poor's long-term credit rating is as follows:

	Long-term	Outlook
Dec. 31, 2023	A-	Stable
Dec. 31, 2024	A-	Stable

Financial covenants

Issues of senior unsecured notes on the US private placement market (USPP) on June 29, 2020 are subject to a financial covenant which states that the net debt to EBITDA ratio not exceed 3 (see Note 6.5.2, "Interest-bearing financial liabilities"). The covenant is tested every six months and the Group complied with the applicable ratio at December 31, 2024.

The terms "net debt" and "EBITDA" used in the aforementioned covenant are defined as follows:

- net debt: interest-bearing borrowings (excluding borrowings subject to specific conditions) less cash and cash equivalents;
- EBITDA: the sum of profit (loss) from operations and the net charge to depreciation, amortization and provisions for impairment of assets (calculated based on adjusted data).

Revolving credit facilities

On May 4, 2022 Safran set up a €2 billion revolving credit facility, with an original maturity of May 2027, that was undrawn at December 31, 2024. Following the exercise of the two one-year extension options, the maturity has been extended to May 2029.

The financial terms and conditions of the liquidity line are indexed to the achievement by the Group of two sustainable development criteria: CO₂ emissions (Scopes 1 and 2) and the proportion of women among senior executives. There is no contractual obligation to achieve these sustainable development criteria and failure to do so would not constitute a breach of contract. Achievement or not of the criteria has no impact on the Group's ability to use the facility.

Sale of receivables without recourse

Net debt at both December 31, 2024 and December 31, 2023 does not include the confirmed trade receivables sold without recourse, relating to CFM International Inc. (joint operation).

This facility, rolled over in February 2024, is capped at USD 1,200 million until January 2025.

A total of USD 396 million (USD 198 million based on a 50% interest) had been drawn on the facility at December 31, 2024, versus USD 201 million (USD 101 million based on a 50% interest) at December 31, 2023.

The facility may be terminated by the bank counterparties if there is a significant deterioration in the credit rating of the customer whose trade receivables have been sold.

On December 17, 2024, a new confirmed non-recourse trade receivables factoring facility was signed by CFMI International Inc., for a maximum amount of USD 1,500 million. The new facility replaced the previous facility – which had reached maturity – as of January 31, 2025. It will expire on January 31, 2026.

NOTE 7 NOTES TO THE CASH FLOW STATEMENT

7.1 Cash flow from operating activities

An analysis of the main cash flow items relating to operating activities is provided below:

7.1.1 Depreciation, amortization, impairment and provisions

An analysis of these items in 2024 and 2023 is as follows:

(in € millions)	2023	2024
Depreciation and amortization	1,336	1,406
Provisions	(51)	285
Impairment	148	-
DEPRECIATION, AMORTIZATION, IMPAIRMENT AND PROVISIONS	1,433	1,691

7.1.2 Change in working capital

Changes in the main working capital items over 2024 and 2023 are as follows:

(in € millions)	2023	2024
Change in inventories and work-in-progress	(1,494)	(1,452)
Change in operating receivables and payables	478	549
Change in contract costs	(103)	(89)
Change in contract assets and liabilities	2,073	1,004
Change in other receivables and payables	(196)	(5)
CHANGE IN WORKING CAPITAL	758	7

7.1.3 Other

(in € millions)	2023	2024
Cancellation of income tax expense	1,236	(284)
Income tax paid	(988)	(935)
Other items	(12)	8
Tax credit	(15)	(20)
Elimination of profit/loss from joint ventures	222	196
Share-based payment expense	89	106
Foreign exchange losses	(73)	22
OTHER	459	(907)

7.2 Cash flow used in investing activities

An analysis of the main cash flow items relating to investing activities is shown below:

7.2.1 Payments for the acquisition of investments or businesses, net

In 2024, the €344 million net cash outflow mainly includes payments for the acquisition of Preligens for €229 million and ADOS for €90 million.

In 2023, the €328 million net cash outflow includes payments for the acquisition of a controlling interest in Thalès' aeronautical electrical systems business for €131 million and the Aubert de Duval capital increase for €109 million.

7.2.2 Proceeds arising from the sale of investments or businesses, net

In 2024, the €113 million net cash inflow mainly relates to proceeds from the sale of Roxel amounting to €81 million.

In 2023, the €151 million net cash inflow includes proceeds from the sale of Cargo and Catering amounting to €122 million.

7.3 Cash flow used in financing activities

An analysis of the main cash flow items relating to financing activities is shown below:

At December 31, 2024, the Group redeemed the USPP for USD 505 million and the Euro PP for €200 million, repaid lease liabilities in the amount of €101 million, and redeemed ahead of maturity 2020-2027 OCEANE bonds not tendered for conversion for €20 million.

At December 31, 2023, the Group had redeemed the Euro PP for €180 million and repaid lease liabilities in the amount of €130 million.

NOTE 8 ADDITIONAL INFORMATION

8.1 Interests in joint operations

The Group has interests in a number of joint operations whose contribution is recognized line-by-line in the financial statements. The joint operations are:

- CFM International Inc. and CFM International SA: coordination of the CFM56 and LEAP engine programs with GE Aerospace and program marketing;
- Famat: manufacture of large casings subcontracted by Safran Aircraft Engines and GE Aerospace;

- Matis: manufacture of aircraft wiring;
- CFAN: production of composite fan blades for turbo engines;
- Propulsion Technologies International: engine repair and maintenance.

The table below shows the Group's share in the various financial indicators of these joint operations, which is included in the consolidated financial statements:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Current assets	328	329
Non-current assets	25	34
Current liabilities	160	140
Non-current liabilities	11	17
Operating income	118	111
Operating expenses	(92)	(82)
Financial income	10	7
Income tax benefit (expense)	(12)	(10)
Profit for the period	24	25
Other comprehensive income	(6)	12
Comprehensive income	18	37
Cash flow from operating activities ⁽¹⁾	42	11
Cash flow used in investing activities	(6)	(12)
Cash flow used in financing activities ⁽¹⁾	(2)	(10)

(1) See Note 6.5.10, "Liquidity risk management" – trade receivables factoring programs at CFM Inc.

8.2 Related parties

The Group's related parties are Safran shareholders (notably the French State) exercising control, joint control or significant influence over the Group; companies over which these shareholders exercise control, joint control or significant influence; associates, joint ventures and management executives.

Transactions with related parties other than joint ventures and associates primarily concern the delivery of aviation products to Dassault Aviation, Airbus and the French Directorate General of Weapons Procurement (DGA). They are as follows:

(in € millions)	2023	2024
Sales to related parties other than joint ventures	4,594	5,393
Purchases from related parties other than joint ventures	(131)	(77)

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Amounts receivable from related parties other than joint ventures	2,628	2,501
Amounts payable to related parties other than joint ventures	4,863	5,911

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Commitments given to related parties other than joint ventures ⁽¹⁾	2,661	2,568

(1) See Note 8.3.1, "Off-balance sheet commitments and contingent liabilities relating to the Group's operating activities".

The following transactions were carried out with joint ventures:

(in € millions)	2023	2024
Sales to joint ventures ⁽¹⁾	819	845
Purchases from joint ventures	(119)	(171)

(1) Mainly with Shannon Engine Support Limited.

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Amounts receivable from joint ventures	328	573
Amounts payable to joint ventures	418	393

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Commitments given to joint ventures ⁽¹⁾	849	1,768

(1) Reservation of engine capabilities with Shannon Engine Support Limited.

8.2.1 Management compensation

The Group's key management personnel comprise the members of the Board of Directors including the Chairman, the Chief Executive Officer and the other directors (16 members in total), and any persons discharging managerial responsibilities considered as having the power to take management decisions

with regard to Safran's strategy and future development, and/or with regular access to inside information concerning Safran (i.e., four directors at end-2024 and end-2023).

All compensation and benefits awarded to management executives are shown on a gross basis, including the fixed portion of compensation and the provision for the variable portion to be paid in the subsequent year, and break down as follows

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Short-term benefits ⁽¹⁾	8.0	8.3
Post-employment benefits	0.5	0.3
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	3.1	2.9

(1) Compensation, social security contributions, attendance fees and benefit payments, where applicable.

The Company's total post-employment benefit commitments and other long-term benefit commitments in respect of management executives as recorded in the balance sheet amounted to €6.4 million at December 31, 2024 and €5.7 million at December 31, 2023.

8.3 Off-balance sheet commitments and contingent liabilities

8.3.1 Off-balance sheet commitments and contingent liabilities relating to the Group's operating activities

The various types of commitments given and contingent liabilities incurred by the Group are as follows:

GUARANTEES GIVEN IN CONNECTION WITH THE PERFORMANCE OF OPERATING AGREEMENTS

These guarantees relate mainly to guarantees granted by Safran to customers and principals (essentially aircraft manufacturers) in which Safran or the subsidiary provide a joint and several guarantee that its subsidiaries will perform their duties under their contractual obligations. These guarantees are given in respect of research, design, development, manufacturing, marketing and product support programs in place at Group subsidiaries. They are generally granted for the term of the program concerned, and are capped at a certain amount.

OFFSET OBLIGATIONS

In some countries, as a condition to the Group securing major contracts, it may be required to fulfill direct, semi-direct or indirect local offset obligations, as required by law or regulations. This is particularly the case in the defense industry.

Failure to meet these obligations within the required timeframe may lead to penalties for the Group, which may, in some cases, not discharge the obligation. When there are doubts as to the Group's ability to meet its obligations, the contractual penalty is recognized as a deduction from revenue.

LEASE COMMITMENTS

Lease commitments given concern leases qualifying for the IFRS 16 exemption criteria (short-term leases or leases of low-value assets), as well as leases signed but not yet started.

FINANCIAL COMMITMENTS LINKED TO THE SALE OF GROUP PRODUCTS

The Group may enter into financial commitments as part of certain civil aircraft engine sales campaigns. These commitments form part of financing packages proposed by aircraft manufacturers to airlines. The commitments are made by the Group together with its partner GE Aerospace alongside aircraft manufacturers, and generally correspond

to the share represented by engines in the financing of the aircraft concerned. They can take the form of backstop aircraft financing, backstop guarantees granted to lending institutions for aircraft financing, asset value guarantees at a given date, or trade-ins of used aircraft at a given date and at a given price.

Unlike asset value guarantees and used aircraft trade-ins, backstop commitments are in fact financing commitments granted in principle when an order is placed but which only take effect at the customer's request when the ordered aircraft are delivered. They are not included in the Group's off-balance sheet commitments since (i) the probability that they will be called by the airline is too uncertain because the deliveries are too far in the future, and (ii) in the past, few commitments have been called due to their incentiveless financing terms and to the fact that they represent a "last recourse" after the active leasing, banking, credit insurance and investor markets.

CONTINGENT LIABILITIES ARISING ON ORDINARY ACTIVITIES

As part of their ordinary activities, the Group, some of its subsidiaries, or certain joint arrangements or consortia in which they are shareholders or members, may be subject to various claims from customers. These claims usually consist of compensation claims for failing to meet technical specifications, for a delay in the development phase, late completion and/or for additional work in connection with product performance and reliability falling outside the scope of the warranties and commitments provisioned or included within contract costs (see Note 6.2.1, "Inventories and work-in-progress and contract costs", and Note 6.4.1, "Overview of provisions"). While the initial amount of any such claim may be material in certain cases, it does not necessarily have any bearing on the costs that may be ultimately incurred to satisfy the customer. As these claims represent contingent liabilities, no provision has been recognized beyond contractual liability limits, if any.

In the absence of an agreement between the parties, some of these claims may give rise to litigation, the most significant of which are indicated in Note 8.4, "Disputes and litigation".

Commitments given and contingent liabilities

The Group granted the following commitments in connection with its operating activities:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Purchase commitments on intangible assets	9	11
Purchase commitments on property, plant and equipment	238	434
Guarantees given in connection with the performance of operating agreements	6,998	6,809
Lease commitments	131	153
Financial commitments linked to the sale of Group products	25	26
Other commitments given	2,950	4,032
COMMITMENTS GIVEN AND CONTINGENT LIABILITIES	10,351	11,465

Guarantees given in connection with the performance of operating agreements

Guarantees granted to Airbus are shown within “Guarantees granted to related parties” in Note 8.2, “Related parties”.

Financial commitments linked to the sale of Group products

Only the amounts of commitments actually in place at the reporting date are shown in the above off-balance sheet commitments table. The Group's gross exposure in respect of these financing commitments in their transaction currency represents USD 27 million at December 31, 2024 (USD 28 million at December 31, 2023), or €26 million (€25 million at December 31, 2023). However, these amounts do not reflect the actual risk to which Safran is exposed. In view of the value of the underlying assets pledged as security or eventually owned, the net exposure represents USD 1 million at December 31, 2024 (USD 4 million at December 31, 2023), or €1 million at December 31, 2024 (€4 million at December 31, 2023) for which a provision, based on an assessment of the risk, is booked in the financial statements. The risk and corresponding provision are determined based on a probability model of events likely to generate a future net outflow of resources for the Group.

Undiscounted backstop commitments based on transaction currency amounted to USD 1.7 billion at December 31, 2024. They are not included in off-balance sheet commitments.

Other commitments given

In connection with the French government's aerospace support plan, Safran undertook to subscribe to the Ace Aéro Partenaires (AAP#1) investment fund in an amount of €58 million.

Following the various funding rounds completed, Safran's remaining commitment amounted to €6 million at December 31, 2024.

In July 2024, Safran contributed €45 million to the new “Ace Aero Partenaires 2” support fund for the French aerospace sector. At December 31, 2024, no calls for funds had been made.

As part of Safran USA's contemplated acquisition of Collins Aerospace's actuation and flight control business, Safran SA contractually granted a USD 1.8 billion payment guarantee to Goodrich Corporation and Hamilton Sundstrand Corporation on behalf of its subsidiary Safran USA.

If certain regulatory approvals were to block the acquisition, Safran would have to pay termination costs of up to USD 72 million.

Commitments received

The Group was granted the following commitments in connection with its operating activities:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Commitments received from banks on behalf of suppliers	4	8
Completion warranties	8	16
Endorsements and guarantees received	1	2
Other commitments received	239	304
COMMITMENTS RECEIVED	252	330

8.3.2 Off-balance sheet commitments and contingent liabilities relating to the Group's scope of consolidation

Vendor warranties are given or received on the acquisition or sale of companies.

(v) Vendor warranties given:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Vendor warranties given ⁽¹⁾	42	36

(1) Vendor warranties, the amount of which may be fixed or determinable.

(vi) Vendor warranties received:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Vendor warranties received	221	221

Vendor warranties granted in connection with the disposal of the Security businesses

In connection with the sale of the Identity and Security businesses on May 31, 2017, Safran granted Advent International a specific indemnity capped at BRL 200 million (€31 million) to cover any financial consequences arising from the dispute between Morpho do Brasil and the Brazilian tax authorities concerning the calculation method for value added tax on certain products.

Guarantees received in connection with acquisitions

On the sale of Aubert & Duval, Eramet granted Safran a general liability guarantee of €35 million and various specific warranties totaling €150 million.

In connection with the acquisition of Thalès' aeronautical electrical systems business, Thalès granted Safran a contractual general liability guarantee for €18 million and specific warranties for €18 million covering various matters.

8.3.3 Off-balance sheet commitments and contingent liabilities relating to the Group's financing

Commitments received in respect of financing relate to any unused portion of the trade receivables factoring facility relating to CFM International Inc., under which the related receivables are deconsolidated (see Note 6.5.2, "Interest-bearing financial liabilities"), and the confirmed, undrawn syndicated credit line for €2 billion set up on May 4, 2022 (see Note 6.5, "Financing and financial risk management").

8.4 Disputes and litigation

Safran and certain Group subsidiaries are party to regulatory, legal or arbitration proceedings arising in the ordinary course of their operations. Safran and certain Group subsidiaries are also party to claims, investigations, legal action and regulatory proceedings outside the scope of their ordinary operations.

The amount of the provisions booked is based on the level of risk for each case, as assessed by Safran and its subsidiaries, and largely depends on their assessment of the merits of the claims and defensive arguments, bearing in mind that the occurrence of events during the proceedings can lead to a reassessment of the risk at any time.

A provision is only booked to cover the expenses that may result from such proceedings when the expenses are probable and their amount can be either quantified or reasonably estimated.

Safran considers that the provisions booked are adequate to cover the risks it incurs.

A number of civil and/or criminal lawsuits have been filed against certain Safran subsidiaries in connection with aviation accidents. The Group's insurance policy would cover any civil damages payable by Safran or its subsidiaries under these proceedings.

Certain subsidiaries are the object of claims made by their customers, notably aircraft manufacturers and airlines. These claims can relate to compliance with delivery deadlines, problems with product quality or, more generally, alleged non-compliance with agreements. Such claims give rise to technical, industrial and commercial negotiations that may lead to settlement agreements, without resulting in legal or arbitration proceedings.

To the best of Safran's knowledge and that of its subsidiaries, there are no other ongoing regulatory, legal or arbitration proceedings that could have a material impact on the financial position of the Company and/or Group.

8.5 Audit fees

The Group pays three types of fees to its Statutory Auditors:

STATUTORY AUDIT FEES

These are payable for all work that is an integral part of the statutory audit, i.e., all work necessary to produce audit reports or any other reports or representations to be made available to the Ordinary Shareholders' Meeting called to approve the financial statements.

Services are provided by the Statutory Auditors and other persons responsible for audits, members of their networks, certifying the parent company and consolidated financial statements of the parent company and fully consolidated subsidiaries in France and other countries.

FEES RELATING TO THE CERTIFICATION OF SUSTAINABILITY DISCLOSURES

These are payable for work required to certify consolidated sustainability disclosures in accordance with applicable regulations (ESRS).

FEES FOR OTHER SERVICES

These services concern work falling within the scope of services usually rendered in conjunction with the statutory audit engagement (drafting of specific reports and statements, due diligence procedures) or any other specific engagement, generally representing one-off or agreed-on services.

The following table shows the amount of fees paid to the Group's Statutory Auditors as included on the consolidated income statement for the year, a distinction being made between fees charged for the statutory audit of the consolidated financial statements, those charged for the sustainability audit and those charged for other services, where applicable. The fees shown for subsidiaries are those consolidated according to the full consolidation method.

	Ernst & Young				Forvis Mazars				Total			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%		Amount (excl. VAT)		%	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
(in € millions)												
A) STATUTORY AUDIT SERVICES												
A.1) Safran (issuer)	0.79	0.97	15%	15%	0.79	0.97	14%	13%	1.58	1.94	14%	14%
A.2) Subsidiaries	4.30	4.99	76%	73%	4.49	5.21	76%	70%	8.79	10.20	76%	72%
Sub-total	5.09	5.96	91%	88%	5.28	6.18	90%	83%	10.37	12.14	90%	86%
B) FEES RELATING TO THE CERTIFICATION OF SUSTAINABILITY DISCLOSURES												
B.1) Safran (issuer)	N/A	0.49	N/A	7%	N/A	0.49	N/A	7%	N/A	0.98	N/A	7%
C) FEES FOR OTHER SERVICES												
C.1) Safran (issuer)	0.18	0.03	3%	0%	0.17	0.29	3%	4%	0.35	0.32	3%	1%
C.2) Subsidiaries	0.35	0.39	6%	5%	0.39	0.44	7%	6%	0.74	0.83	6%	6%
Sub-total	0.53	0.42	9%	5%	0.56	0.73	10%	10%	1.09	1.15	10%	7%
TOTAL	5.62	6.87	100%	100%	5.84	7.40	100%	100%	11.46	14.27	100%	100%

8.6 Subsequent events

8.6.1 Treasury shares

On January 9, 2025, Safran entered into an agreement with an investment services provider for a share buyback for cancellation. Under the terms of this agreement, Safran will repurchase its own shares for a maximum amount of €350 million from January 10, 2025 and no later than April 14, 2025. This operation will be carried out in accordance with the share buyback authorization granted on May 23, 2024 by the Annual General Meeting.

8.6.2 Acquisition of Component Repair Technologies (CRT)

On September 10, 2024, Safran had announced its plan to acquire CRT, a world leader in the repair of aircraft engine parts, based in Mentor, Ohio (US).

Safran completed this acquisition on January 19, 2025.

These new capabilities will strengthen Safran's maintenance, repair and overhaul (MRO) network in the Americas.

CRT specializes in the repair of large parts (cases, rotating parts) for the CFM56, LEAP and large turbofan engines.

CRT generates revenue of around USD 110 million and has approximately 500 employees.

NOTE 9 LIST OF KEY CONSOLIDATED COMPANIES

	Country	2023		2024	
		Consolidation method	% interest	Consolidation method	% interest
Safran SA	France			Parent company	
AEROSPACE PROPULSION					
Safran Aircraft Engines	France	FC	100.00	FC	100.00
CFAN	United States	JO	50.00	JO	50.00
CFM International SA	France	JO	50.00	JO	50.00
CFM International, Inc.	United States	JO	50.00	JO	50.00
CFM Materials, LP	United States	EQ	50.00	EQ	50.00
Fabrications Mécaniques de l’Atlantique	France	JO	50.00	JO	50.00
Fan Blade Associates, Inc.	United States	FC	100.00	FC	100.00
Safran Aero Composite	France	FC	100.00	FC	100.00
Safran Aerospace Composites, LLC	United States	FC	100.00	FC	100.00
Shannon Engine Support Limited	Ireland	EQ	50.00	EQ	50.00
Safran Aircraft Engines Hyderabad Private Limited	India	FC	100.00	FC	100.00
Safran Aircraft Engines Mexico	Mexico	FC	100.00	FC	100.00
Safran Aircraft Engines Poland	Poland	FC	100.00	FC	100.00
Safran Aircraft Engine Services Americas	Mexico	FC	100.00	FC	100.00
Safran Aircraft Engine Services Morocco	Morocco	FC	51.00	FC	51.00
Safran MDS, S.A. de C.V.	Mexico	FC	100.00	FC	100.00
Snecma Participations	France	FC	100.00	FC	100.00
Snecma Participations, Inc.	United States	FC	100.00	FC	100.00
Safran Aircraft Engine Services Brussels	Belgium	FC	100.00	FC	100.00
Safran Aircraft Engines Suzhou Co, Ltd	China	FC	100.00	FC	100.00
Safran Aircraft Engines (Guiyang) Co, Ltd	China	FC	100.00	FC	100.00
Propulsion Technologies International, LLC	United States	JO	50.00	JO	50.00
Safran Aircraft Engine Services India Private Limited ⁽¹⁾	India	-	-	FC	100.00
Safran Aero Boosters	Belgium	FC	67.19	FC	67.19
Safran Test Cells, Inc.	United States	FC	67.19	FC	67.19
Safran Aero Boosters Programs, LLC	United States	FC	67.19	FC	67.19
Safran Aero Boosters, Inc.	United States	FC	67.19	FC	67.19
Safran Helicopter Engines	France	FC	100.00	FC	100.00
Safran Power Units	France	FC	100.00	FC	100.00
Safran Power Units San Diego, LLC	United States	FC	100.00	FC	100.00
Safran Power Units USA	United States	FC	100.00	FC	100.00
Initium Aerospace, LLC	United States	EQ	50.00	EQ	50.00
Safran Helicopter Engines Asia Pte. Ltd.	Singapore	FC	100.00	FC	100.00
Safran Helicopter Engines Australia Pty Ltd	Australia	FC	100.00	FC	100.00
Safran Moteurs d’Hélicoptères Canada Inc.	Canada	FC	100.00	FC	100.00
Safran Helicopter Engines Brasil Industria e Comercio do Brasil Ltda	Brazil	FC	100.00	FC	100.00
Safran Helicopter Engines Germany GmbH	Germany	FC	100.00	FC	100.00
Safran Helicopter Engines Tianjin Co. Ltd	China	FC	100.00	FC	100.00
Safran Helicopter Engines UK Limited	United Kingdom	FC	100.00	FC	100.00
Safran Helicopter Engines USA, Inc.	United States	FC	100.00	FC	100.00
Safran Helicopter Engines Mexico	Mexico	FC	100.00	FC	100.00
AD Holding and subsidiaries	France	EQ	33.33	EQ	33.33
Safran Transmission Systems	France	FC	100.00	FC	100.00

	Country	2023		2024	
		Consolidation method	% interest	Consolidation method	% interest
Safran Transmission Systems Poland sp. z o o.	Poland	FC	100.00	FC	100.00
ArianeGroup Holding and its subsidiaries	France	EQ	50.00	EQ	50.00
AIRCRAFT EQUIPMENT, DEFENSE AND AEROSYSTEMS					
Safran Nacelles	France	FC	100.00	FC	100.00
Safran Nacelles Limited	United Kingdom	FC	100.00	FC	100.00
Safran Nacelles Morocco	Morocco	FC	100.00	FC	100.00
3D Metal Forming B.V ⁽¹⁾	Netherlands	-	-	FC	100.00
Safran Landing Systems	France	FC	100.00	FC	100.00
Aero Precision Repair & Overhaul Company, Inc.	United States	EQ	50.00	EQ	50.00
Safran Landing Systems Services Dinard	France	FC	100.00	FC	100.00
Safran Landing Systems Kentucky, LLC	United States	FC	100.00	FC	100.00
Safran Landing Systems Wheel & Brake Services, LLC	United States	FC	100.00	FC	100.00
Safran Landing Systems Malaysia Sdn. Bhd.	Malaysia	FC	100.00	FC	100.00
Safran Landing Systems Canada Inc.	Canada	FC	100.00	FC	100.00
Safran Landing Systems UK Ltd	United Kingdom	FC	100.00	FC	100.00
Safran Landing Systems México S.A. de C.V.	Mexico	FC	100.00	FC	100.00
Safran Landing Systems Services Américas S.A. de C.V.	Mexico	FC	100.00	FC	100.00
Safran Landing Systems Services Singapore Pte. Ltd.	Singapore	FC	60.00	FC	60.00
Safran Landing Systems Services Miami, Inc.	United States	FC	100.00	FC	100.00
Safran Landing Systems Services UK Ltd	United Kingdom	FC	100.00	FC	100.00
Safran Landing Systems Holdings Singapore Pte. Ltd.	Singapore	FC	100.00	FC	100.00
Xi'an Cea Safran Landing Systems Co., Ltd	China	EQ	50.00	EQ	50.00
Safran Filtration Systems	France	FC	100.00	FC	100.00
Safran Landing Systems Suzhou Co., Ltd.	China	FC	100.00	FC	100.00
Safran Electrical & Power	France	FC	100.00	FC	100.00
Safran Electrical Components	France	FC	100.00	FC	100.00
Safran Electrical & Power Chihuahua SA de CV	Mexico	FC	100.00	FC	100.00
Safran Engineering Services GmbH	Germany	FC	100.00	FC	100.00
Labinal Investments, LLC	United States	FC	100.00	FC	100.00
Safran Electrical & Power USA, LLC	United States	FC	100.00	FC	100.00
Safran Electrical & Power Morocco	Morocco	FC	100.00	FC	100.00
Safran Electrical & Power Mexico SA de CV	Mexico	FC	100.00	FC	100.00
Safran Electrical & Power India Private Limited	India	FC	100.00	FC	100.00
Matis Aerospace	Morocco	JO	50.00	JO	50.00
Safran Engineering Services	France	FC	100.00	FC	100.00
Safran Engineering Services India Pvt Ltd	India	FC	100.00	FC	100.00
Safran Engineering Services Maroc	Morocco	FC	100.00	FC	100.00
Safran Engineering Services UK Ltd	United Kingdom	FC	100.00	FC	100.00
Safran Electrical & Power UK Ltd	United Kingdom	FC	100.00	FC	100.00
Safran Power USA, LLC	United States	FC	100.00	FC	100.00
Shanghai SAIFEI Aviation EWIS Manufacturing Co., Ltd	China	EQ	49.00	EQ	49.00
Safran Electrical Components Canada Inc.	Canada	FC	100.00	FC	100.00
Safran Electrical Components UK Limited	United Kingdom	FC	100.00	FC	100.00
Safran Electrical Components USA, Inc.	United States	FC	100.00	FC	100.00
Safran Electrical and Power Tunisia	Tunisia	FC	100.00	FC	100.00
Safran Electrical & Power Chatou SAS	France	FC	100.00	FC	100.00
Safran Electrical & Power Conflans SAS	France	FC	100.00	FC	100.00
Safran Electronics & Defense	France	FC	100.00	FC	100.00

	Country	2023		2024	
		Consolidation method	% interest	Consolidation method	% interest
Safran Defense & Space, Inc	United States		100.00	FC	100.00
Safran Electronics & Defense Services Asia Pte Ltd	Singapore	FC	60.00	FC	60.00
Safran Electronics & Defense Canada Inc.	Canada	FC	100.00	FC	100.00
Safran Electronics & Defense Avionics USA, LLC	United States	FC	100.00	FC	100.00
Safran Electronics & Defense Germany GmbH	Germany	FC	100.00	FC	100.00
Lynred	France	EQ	50.00	EQ	50.00
Safran Electronics & Defense Morocco	Morocco	FC	100.00	FC	100.00
Safran Electronics & Defense Services Mexico, S.A. de C.V.	Mexico	FC	100.00	FC	100.00
Safran Vectronix AG	Switzerland	FC	100.00	FC	100.00
Sagem USA, Inc.	United States	FC	100.00	FC	100.00
Fadec International, LLC	United States	EQ	50.00	EQ	50.00
Safran Reosc	France	FC	100.00	FC	100.00
Safran Sensing Technologies Switzerland SA	Switzerland	FC	100.00	FC	100.00
Safran Data Systems Investment ⁽²⁾	France	FC	100.00	-	-
Safran Data Systems Inc. ⁽³⁾	United States	FC	100.00	-	-
Safran Data Systems GmbH	Germany	FC	100.00	FC	100.00
Safran Data Systems	France	FC	100.00	FC	100.00
IDD Aerospace Corp.	United States	FC	100.00	FC	100.00
Safran Spacecraft Propulsion	France	FC	100.00	FC	100.00
CILAS	France	EQ	31.50	EQ	31.50
HMS Laser	France	EQ	50.00	EQ	50.00
Safran AI ⁽¹⁾	France	-	-	FC	100.00
Financière Orolia ⁽²⁾	France	FC	100.00	-	-
Safran Trusted 4D Canada Inc	Canada	FC	100.00	FC	100.00
Safran Trusted 4D SAS	France	FC	100.00	FC	100.00
Safran Electronics & Defense Beacons SAS	France	FC	100.00	FC	100.00
Safran Electronics & Defense Spain S.L.U.	Spain	FC	100.00	FC	100.00
Safran Timing Technologies SA	Switzerland	FC	100.00	FC	100.00
T4 Science	Switzerland	FC	85.00	FC	85.00
Safran Trusted 4D Inc.	United States	FC	100.00	FC	100.00
Talen-X, Inc.	United States	FC	100.00	FC	100.00
Orolia Government Systems Inc.	United States	FC	100.00	FC	100.00
Roxel France ⁽⁴⁾	France	EQ	50.00	-	-
Roxel Limited ⁽⁴⁾	United Kingdom	EQ	50.00	-	-
Roxel ⁽⁴⁾	France	EQ	50.00	-	-
Safran Aerosystems	France	FC	100.00	FC	100.00
Safran Aerosystems Morocco	Morocco	FC	100.00	FC	100.00
Avox Systems Inc	United States	FC	100.00	FC	100.00
Air Cruisers Company LLC	United States	FC	100.00	FC	100.00
Engineered Arresting Systems Corporation	United States	FC	100.00	FC	100.00
Safran Aerosystems Mexico S. de R.L. de C.V.	Mexico	FC	100.00	FC	100.00
Safran Aerosystems Services Americas, LLC	United States	FC	100.00	FC	100.00
Safran Aerosystems Services Asia Pte. Ltd.	Singapore	FC	100.00	FC	100.00
Safran Aerosystems Services UK Ltd	United Kingdom	FC	100.00	FC	100.00
Safran Aerosystems Services Middle East DWC – LLC	United Arab Emirates	FC	100.00	FC	100.00
IN-Services Asia Limited	Hong Kong	FC	100.00	FC	100.00
Aerospace & Defense Oxygen System SAS ⁽¹⁾	France	-	-	FC	100.00
Safran Martin-Baker France	France	EQ	50.00	EQ	50.00

	Country	2023		2024	
		Consolidation method	% interest	Consolidation method	% interest
AIRCRAFT INTERIORS					
Safran Cabin France	France	FC	100.00	FC	100.00
Safran Cabin Investment GmbH	Germany	FC	100.00	FC	100.00
Safran Cabin Sterling, Inc. ⁽⁶⁾	United States	FC	100.00	-	-
Safran Cabin Germany GmbH	Germany	FC	100.00	FC	100.00
Safran Cabin Netherlands N.V.	Netherlands	FC	100.00	FC	100.00
Safran Cabin Galleys US, Inc.	United States	FC	100.00	FC	100.00
Safran Cabin CZ s.r.o.	Czech Republic	FC	100.00	FC	100.00
EZ Air Interior Limited	Ireland	EQ	50.00	EQ	50.00
Safran Cabin Materials, LLC	United States	FC	100.00	FC	100.00
Safran Cabin Tunisia	Tunisia	FC	100.00	FC	100.00
Safran Cabin, Inc.	United States	FC	100.00	FC	100.00
Safran Cabin Tijuana S.A de C.V.	Mexico	FC	100.00	FC	100.00
Safran Cabin Canada Co.	Canada	FC	100.00	FC	100.00
Safran Cabin Brazil Ltda.	Brazil	FC	100.00	FC	100.00
Safran Cabin Lamphun Ltd.	Thailand	FC	100.00	FC	100.00
Safran Cabin Bellingham, Inc.	United States	FC	100.00	FC	100.00
Safran Ventilation Systems	France	FC	100.00	FC	100.00
Safran Ventilation Systems USA, LLC	United States	FC	100.00	FC	100.00
Northwest Aerospace Technologies, Inc.	United States	FC	100.00	FC	100.00
Greenpoint Technologies, Inc.	United States	FC	100.00	FC	100.00
EV Participations GmbH	Germany	FC	100.00	FC	100.00
Mag Aerospace Industries, LLC	United States	FC	100.00	FC	100.00
Safran Passenger Innovations Germany GmbH	Germany	FC	100.00	FC	100.00
Safran Passenger Innovations, LLC	United States	FC	100.00	FC	100.00
Safran Seats	France	FC	100.00	FC	100.00
Safran Seats USA LLC	United States	FC	100.00	FC	100.00
Safran Seats Tunisia	Tunisia	FC	100.00	FC	100.00
Safran Seats GB Limited	United Kingdom	FC	100.00	FC	100.00
HOLDING COMPANY AND OTHER					
Établissements Vallaroché	France	FC	100.00	FC	100.00
Safran UK Ltd	United Kingdom	FC	100.00	FC	100.00
Société de Réassurance Vallaroché SA	Luxembourg	FC	100.00	FC	100.00
Safran Corporate Ventures	France	FC	100.00	FC	100.00
Soreval France ⁽⁷⁾	France	-	-	FC	100.00
Safran India Private Ltd ⁽⁷⁾	India	-	-	FC	100.00
Safran USA, Inc.	United States	FC	100.00	FC	100.00
Safran Ceramics	France	FC	100.00	FC	100.00
Safran Seats GB Investment Limited	United Kingdom	FC	100.00	FC	100.00
Galli Participations	France	FC	100.00	FC	100.00
Safran Additive Manufacturing Campus	France	FC	100.00	FC	100.00

FC: Full consolidation. JO: Joint operation. EQ: Equity method.

(1) Consolidated in 2024.

(2) Merged into Safran Electronics & Defense on January 1, 2024.

(3) Merged into Safran Defense & Space, Inc on May 1, 2024.

(4) Divested on December 19, 2024.

(5) Merged into Safran Cabin Inc. on January 1, 2024.

3.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2024

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Safran for the year ended December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at December 31, 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2024 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Recognition of revenue and margins under support-by-the-hour contracts

Note 5.1 to the consolidated financial statements

RISK IDENTIFIED	The Group has entered into support-by-the-hour engine maintenance contracts with certain customers spanning several years. As described in Note 5.1 to the consolidated financial statements, revenue on these contracts is recognized over time, based on the costs incurred to date as a percentage of the total estimated costs. A provision is set aside for any losses as soon as such losses are foreseeable. Forecast contract margins are regularly revised by management. Under this method, revenue is recognized based on the percentage of work completed, calculated by reference to the costs incurred. This method requires an estimate of results on completion using future cash flow forecasts that take into account contractual indexes and commitments as well as other factors inherent to the contract based on historical and/or forecast data. This method also requires the use of estimates used to determine the contract's stage of completion. We deemed the recognition of revenue and margins on support-by-the-hour contracts to be a key audit matter given the sensitivity of margins on completion to the estimates and assumptions used by management.
HOW OUR AUDIT ADDRESSED THIS RISK	In Group subsidiary Safran Aircraft Engines (Aerospace Propulsion segment), which accounts for the most significant support-per-flight-hour contracts, we: ■ familiarized ourselves with the procedures for forecasting contract revenue and contract costs on completion; ■ tested the key controls relating to costs incurred on contracts used as the basis to calculate the percentage of completion and the recognition of revenue; ■ obtained confirmation from the Company as regards the application of the latest technical and economic models for assessing the in-flight behavior of the engine and determining the engine servicing schedule; ■ for a sample of major contracts, met with the management controllers responsible for monitoring the contract business plans, and assessed estimates of contract revenue and costs on completion, including the degree of uncertainty applied, in particular by comparing the costs incurred to date with previous estimates; ■ for a sample of significant contracts, analyzed any changes in contracts and the reflection of those changes in the business plans; ■ assessed the consistency of the accounting treatment used to record revenue with the applicable accounting standards.

Performance warranties and liabilities related to sales contracts

Notes 1.4, 5.1, 6.2.2 and 6.4 to the consolidated financial statements

RISK IDENTIFIED	As part of its contractual relations, the Group may recognize liabilities for contractual guarantee commitments given in respect of warranties or claims received from customers, in particular in the Safran Aircraft Engines subsidiary (Aerospace Propulsion segment): ■ Provisions for performance warranties recognized under liabilities cover probable future payments under the various performance warranties granted by the Group to its customers in respect of equipment sold. They are calculated based on technical files or on a statistical basis taking into account the estimated frequency and probable cost of repairs; ■ Liabilities related to sales contracts correspond to provisions and contract liabilities booked further to customer claims or when the Group is exposed to contractual penalties. Provisions and contract liabilities reflect management's best estimates using available information, past experience and, in some cases, estimates by independent experts. We deemed this issue to be a key audit matter given the significance of the amounts in question, the complexity of the assumptions underlying the estimates, and the degree of judgment required of management in calculating these liabilities.

**HOW OUR AUDIT
ADDRESSED
THIS RISK**

We obtained an understanding of the procedures implemented by management to identify and list all risks relating to contractual commitments in the Safran Aircraft Engines subsidiary.

For the most material risks identified, we reviewed the analysis of the risk by management, along with the corresponding documentation and any written consultations from external advisors, where appropriate. Our work involved:

- meeting with the managers of the main programs to assess the exhaustiveness of the liabilities recognized in light of the known quality risks;
- for material risks, examining with management the main causes and planned corrections for the technical issues identified;
- familiarizing ourselves with the approach used by management to estimate the amount of liabilities to be recognized in respect of these risks;
- reconciling the assumptions used to determine warranty commitments with the technical files and historical data;
- assessing the estimated cost of repairs used to estimate warranty commitments, in particular by comparing with observed historical data;
- analyzing the arithmetic accuracy of the calculations made and reconciling the input data with contractual data, where appropriate;
- assessing the consistency with IFRS 15 of the accounting treatment used to record identified contractual liabilities;
- reconciling the amounts recognized with respect to customer claims with the requests made by those customers, and the estimates made by management.

We also assessed the appropriateness of the disclosures concerning the contract liabilities provided in the notes to the consolidated financial statements.

Measurement and completeness of foreign currency derivatives

Note 6.5.6 to the consolidated financial statements

RISK IDENTIFIED

Most of the revenue generated in the aerospace segment is denominated in US dollars. The net excess of revenues over expenses for these activities totaled USD 12 billion for 2024. To protect its operating profitability against fluctuations in the EUR/USD exchange rate, the Group's policy is to hedge its USD exposure using foreign currency derivatives and to maintain the exchange rate above a target hedged rate over a period of three to four years. The main derivatives used in this respect are forward sales and foreign currency options (accumulators and a combination of optional instruments, each with or without knock-out barriers). Options are used to improve the hedged rate with a view to protecting the Group's economic performance.

In the balance sheet, the derivatives portfolio is carried at fair value in accordance with IFRS 9, and represented an amount of €952 million in assets and €8,803 million in liabilities at December 31, 2024. Most derivatives are traded over-the-counter and no quoted prices are available. Consequently, they are measured using models commonly used by pricing services.

In the income statement, the Group does not apply hedge accounting as defined by the IFRS 9 standard given the nature of the instruments used. Consequently, all changes in the fair value of foreign currency derivatives during the year are included in financial income (loss). In 2024, the amount recorded in financial loss represented €4,693 million.

We deemed the measurement and completeness of foreign currency derivatives to be a key audit matter given the material impacts on the Group's consolidated financial statements, the complexity of the valuation models used and the volume of instruments negotiated.

**HOW OUR AUDIT
ADDRESSED
THIS RISK**

We reviewed the Group's forex strategy and assessed whether the information given in this regard in Note 6.5.6 to the consolidated financial statements was appropriate.

As part of our familiarization with the Group's internal control procedures, we analyzed the procedures put in place by management for approving, contracting and booking market transactions. We also tested the effectiveness of IT key controls for the applications used by the Cash Management Department, including the interface with the accounting teams.

In respect of foreign currency derivatives, our procedures consisted in:

- verifying the reconciliation performed by the Group between the derivatives portfolio and information received from bank counterparties, in order to ensure that all transactions were documented;
- verifying that there was no material discrepancy between the value of the derivatives estimated by the Group and the values sent by the bank counterparties;
- carrying out a counter-valuation of a representative sample of the derivatives portfolio;
- verifying the disclosures provided in the notes to the consolidated financial statements and reviewing the Group's financial communications regarding foreign currency transactions.

Impairment testing of intangible assets (goodwill and programs) and material investments in equity-accounted companies

Notes 1.4, 6.1.1, 6.1.3 and 6.1.5 to the consolidated financial statements

RISK IDENTIFIED

In the context of its creation and development, the Group has carried out acquisitions, including of interests in companies then accounted for by the equity method, resulting in the recognition of goodwill and intangible assets relating to aerospace programs. The Group also capitalizes development costs when it can be demonstrated that they meet the requisite criteria, as described in Note 6.1.1 to the consolidated financial statements.

Goodwill is tested for impairment at the level of each cash-generating unit (CGU) at least annually and whenever there is an indication that it may be impaired. Material investments in equity-accounted companies are also tested for impairment if an indication of impairment is identified. At the end of each annual reporting period, management also performs impairment tests on assets allocated to programs (aerospace programs and capitalized development costs) before they begin to be depreciated/amortized, or if events or circumstances indicate a risk of impairment.

The recoverable amounts of these assets are chiefly determined by discounting the future cash flows expected to arise from the CGUs, projects or programs to which the assets tested relate.

At December 31, 2024, the carrying amount of goodwill was €4,937 million, while total other intangible assets represented €7,947 million, including €307 million relating to aerospace programs and €3,970 million relating to capitalized development costs. At December 31, 2024, investments in equity-accounted companies totaled €1,894 million.

We deemed impairment testing of intangible assets and material investments in equity-accounted companies to be a key audit matter given their material balances in the consolidated financial statements and because the calculation of their recoverable amount requires management to use major estimates and assumptions.

HOW OUR AUDIT ADDRESSED THIS RISK

We assessed the basis for implementing these impairment tests. In particular, our work consisted in:

- reconciling the elements included in the carrying amount of each cash-generating unit (CGU), each program and each material investment in an equity-accounted company with the net assets recognized in the balance sheet;
- analyzing the appropriateness of the assumptions underlying the estimates used by management to forecast its future cash flows, in particular by reconciling:
 - the volumes and production rates associated with the products sold with information and forecasts provided by the main contractors and significant stakeholders and management's long-term market analyses;
 - the growth rate assumptions used to forecast future cash flows with available independent analyses;
 - the various inputs used to calculate the weighted average cost of capital of each CGU with the rate of return demanded by market participants for similar activities, with the support of a valuation expert who assisted our audit team;
- comparing the consistency of future cash flows with management's most recent estimates, as presented to the Board of Directors during the medium-term business plan process;
- comparing the analyses performed by management to ascertain the sensitivity of value in use to reasonably possible changes in the main assumptions used.

Lastly, we assessed the appropriateness of the disclosures provided in the notes to the consolidated financial statements.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also verified the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other verifications and information pursuant to legal and regulatory requirements

Presentation of the consolidated financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-I-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018. As it relates to the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the consolidated financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Safran by the Annual General Meetings held on May 28, 2008 for FORVIS MAZARS and on May 27, 2010 for ERNST & YOUNG et Autres.

At December 31, 2024, FORVIS MAZARS and ERNST & YOUNG et Autres were in the seventeenth and fifteenth consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance relating to the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it expects to liquidate the company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit. They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537-2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Risk Committee.

The Statutory Auditors

Paris-La Défense, March 20, 2025

FORVIS MAZARS

Jérôme de Pastors
Partner

Christophe Berrard
Partner

ERNST & YOUNG et Autres

Philippe Berteaux
Partner

Nicolas Macé
Partner

3.3 PARENT COMPANY FINANCIAL STATEMENTS AT DECEMBER 31, 2024

Parent company income statement at December 31, 2024

(in € millions)	Note	2023	2024
OPERATING INCOME			
Revenue	4.1	865	902
Capitalized production		11	6
Operating expense transfers	4.3	47	23
Reversal of depreciation, amortization and provisions		12	77
Other income	4.2	235	66
Operating income (1)		1,170	1,074
OPERATING EXPENSES			
Cost of goods sold in the year:			
■ Raw materials		-	-
■ Sub-contracting purchases		(7)	(8)
■ Purchases not held in inventory and supplies		(21)	(20)
■ External service expenses		(612)	(628)
Taxes and duties other than income tax		(25)	(19)
Payroll costs:			
■ Wages and salaries		(211)	(229)
■ Social security contributions		(106)	(116)
Charges to depreciation, amortization, provisions and impairment:			
■ Charges to depreciation, amortization and impairment of non-current assets		(27)	(29)
■ Charges to provisions for contingencies and losses		(244)	(87)
Other expenses		(9)	(50)
Operating expenses (2)		(1,262)	(1,186)
Loss from operations (1)-(2)		(92)	(112)
Financial income		1,921	3,603
Financial expenses		(1,163)	(506)
Financial income	4.4	758	3,097
Profit from ordinary activities before tax		666	2,985
Non-recurring income		21	80
Non-recurring expenses		(83)	(291)
Non-recurring income (expense)	4.5	(62)	(211)
Statutory employee profit-sharing	4.6	-	-
Income tax benefit	4.7	55	96
Movements in provisions set aside to cover income taxes of loss-making subsidiaries	4.7	(1)	21
PROFIT FOR THE PERIOD		658	2,891

Parent company balance sheet at December 31, 2024

Assets

(in € millions)	Note	Dec. 31, 2023	Dec. 31, 2024		
			Gross carrying amount	Depreciation, amortization and impairment	Net
Intangible assets	3.1	28	218	185	33
Property, plant and equipment	3.1	93	270	181	89
Financial assets	3.1	18,879	19,532	504	19,028
■ Equity investments		16,822	18,174	504	17,670
■ Other financial assets		2,057	1,358	-	1,358
Total non-current assets		19,000	20,020	870	19,150
Payments on account	3.2	-	1	-	1
Trade receivables	3.2	330	332	-	332
Other receivables	3.2	442	502	-	502
Group current accounts	3.2	4,235	3,807	6	3,801
Marketable securities	3.3	5,111	4,660	-	4,660
Cash at bank and in hand	3.3	1,421	1,676	-	1,676
Prepayments	3.5	72	46	-	46
Total current assets		11,611	11,024	6	11,018
Redemption premiums	3.6	6	4	-	4
Unrealized foreign exchange losses	3.6	344	409	-	409
TOTAL ASSETS		30,961	31,457	876	30,581

Equity and liabilities

(in € millions)	Note	Dec. 31, 2023	Dec. 31, 2024
Share capital	3.7	85	85
Other equity	3.7	12,376	11,373
Tax-driven provisions	3.8	23	25
Profit for the period	3.7	658	2,891
Total equity		13,142	14,374
Provisions for contingencies and losses	3.8	798	786
Bond issue	3.9	3,330	2,130
USD senior unsecured notes issue	3.9	1,027	588
Other loans and borrowings	3.9	1,007	1,039
Group current accounts	3.9	10,796	10,629
Advances and downpayments received	3.9	17	18
Trade payables	3.9	168	163
Other liabilities	3.9	422	551
Deferred income	3.11	26	13
Financial liabilities, operating payables and miscellaneous liabilities		16,793	15,131
Unrealized foreign exchange gains	3.12	228	290
TOTAL EQUITY AND LIABILITIES		30,961	30,581

Parent company statement of cash flows

(in € millions)	2023	2024
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	658	2,891
Non-cash income and expenses		
Depreciation, amortization, impairment and provisions	831	(804)
Capital gains and losses on asset disposals	72	(2)
Other	-	221
Cash flow from operations, before change in working capital	1,561	2,306
Net change in current accounts ⁽¹⁾	1,357	267
Net change in other receivables and payables	(217)	80
Change in working capital	1,140	347
Total I	2,701	2,653
II. CASH FLOW USED IN INVESTING ACTIVITIES		
Payments for purchases of intangible assets and property, plant and equipment, net of proceeds	(33)	(30)
Payments for purchases of equity investments and other financial assets, net of proceeds ⁽²⁾	(1,515)	(1,273)
Total II	(1,548)	(1,303)
III. CASH FLOW USED IN FINANCING ACTIVITIES		
Dividends paid to shareholders	(564)	(911)
Increase in borrowings	-	-
Repayment of borrowings and long-term debt	(180)	(448)
New bond issue	-	-
Bond redemption	-	(220)
Change in long-term borrowings	-	-
Change in short-term borrowings	(162)	32
Change in share capital	2	-
Total III	(904)	(1,547)
NET INCREASE IN CASH AND CASH EQUIVALENTS	I+II+III	(197)
Cash and cash equivalents at beginning of period	6,283	6,532
Reclassification of Oddo liquidity agreement to financial assets	-	-
Cash and cash equivalents at end of period	6,532	6,336
Net increase in cash and cash equivalents	249	(197)

(1) Classified in operating items in view of the nature of the Company's operations.

(2) Including mainly €1,164 million for the buyback of treasury shares, €80 million for loans to Group entities, €15 million relating to the capital increase of Établissements Vallaroché and €9 million relating to the capital increase of AD Holding.

Notes to the parent company financial statements

CONTENTS

NOTE 1	Activity of the Company and 2024 highlights	266	NOTE 3	Notes to the balance sheet	272
NOTE 2	Accounting policies	267	NOTE 4	Notes to the income statement	283
			NOTE 5	Other information	285

The data set out below are an integral part of the parent company financial statements. They are expressed in millions of euros unless otherwise indicated.

The 2024 financial year spans 12 months.

Safran may also be referred to as “the Company” in these notes.

The total balance sheet at December 31, 2024 prior to the appropriation of profit represents **€30,581,319,309.86**.

Accounting profit for 2024 represents **€2,891,256,257.10**.

NOTE 1 ACTIVITY OF THE COMPANY AND 2024 HIGHLIGHTS

1.1 Activity of the Company

As the Group’s parent company, Safran performs the following functions for the Group companies:

- it holds and manages shares in the main Group subsidiaries;
- it steers and develops the Group, determining: Group strategy; Research and Technology (R&T) policy; sales policy; legal and financial policy; human resources policy; personnel training, retraining and skills matching by Safran University; communications; and oversight of operations;
- it provides:
 - support on legal, taxation and financial matters, essentially in the following areas: cash pooling as part of the management of advances and investments between Safran and each Group company; currency risk

management policy as part of efforts to protect companies and reduce uncertainty regarding the economic performance of operating subsidiaries resulting from fluctuations in exchange rates (mainly USD); and tax consolidation in jurisdictions where Safran is liable for the entire income tax charge, additional income tax contributions and the annual minimum tax charge due by the tax group comprising itself and its tax-consolidated subsidiaries, and

- services within the scope of Shared Services Centers in the following areas: payroll administration and management, recruitment, non-production purchases, IT, and some accounting services.

1.2 2024 highlights

1.2.1 Capital transactions and Group credit rating

At December 31, 2024, the Company’s cash and cash equivalents amounted to €5,886 million.

Treasury shares

The Annual General Meeting has authorized the Board of Directors to buy and sell shares in the Company in accordance with the applicable laws and regulations.

An authorization granted by the Ordinary and Extraordinary Shareholders’ Meeting of May 23, 2024 and valid for 18 months set the maximum purchase price at €300 per share, thereby superseding the authorization granted by the Annual General Meeting of May 25, 2023.

Liquidity agreement

In February 2019, Safran entered into a new liquidity agreement with Oddo BHF SCA for a period of 12 months, automatically renewable from year to year.

Under this liquidity agreement, in 2024, Safran:

- purchased 2,040,579 shares for €411 million; and
- sold 2,019,176 shares for €406 million.

At December 31, 2024, 115,834 shares were held in connection with the liquidity agreement. The associated cash account amounts to €27 million.

Share buyback tranches

In 2024, Safran entered into four agreements with investment services firms.

Agreement dated January 12, 2024 to buy back its own shares

Maximum total amount excluding tax under this tranche: €450 million.

Implementation period: from January 16, 2024 to March 1, 2024 at the latest.

Purpose of the tranche: allocation or sale to employees or corporate officers of Safran or Safran Group companies and hedging of debt securities carrying rights to shares.

Number of shares bought back under the tranche: 828,201 shares.

Total price excluding tax under this tranche: €140 million.

Implementation suspended after the share price exceeded the maximum buyback price of €175 per share set by the Annual General Meeting of May 25, 2023.

Agreement dated May 29, 2024 to buy back its own shares

Total price excluding tax under this tranche: €421 million.

Implementation period: from May 30, 2024 to June 19, 2024.

Purpose of the tranche: allocation or sale to employees or corporate officers of Safran or Safran Group companies and hedging of debt securities carrying rights to shares (convertible bonds maturing in 2028).

Number of shares bought back under the tranche: 2,027,600 shares.

Agreement dated June 28, 2024 to buy back its own shares

Total price excluding tax: €250 million.

Implementation period: from July 1, 2024 to August 8, 2024.

Purpose of the tranche: cancellation of shares.

Number of shares bought back under the tranche: 1,262,036 shares.

Agreement dated September 20, 2024 to buy back its own shares

Total price excluding tax: €500 million.

Implementation period: from September 23, 2024 to December 9, 2024.

Purpose of the tranche: cancellation of shares.

Number of shares bought back under the tranche: 2,365,918 shares.

On December 12, 2024, the share capital was reduced by canceling the 3,627,954 ordinary shares bought back by Safran in the two aforementioned tranches.

1.2.2 Performance shares

The Board of Directors periodically grants performance shares to Group employees and corporate officers.

The vesting of these performance shares is subject to the achievement of internal and external performance conditions, which are assessed over three full consecutive fiscal years, including the year in which the performance shares are granted. In addition, the shares will only vest if the beneficiaries still form part of the Company at the vesting date.

Safran periodically reviews the number of free shares to be delivered in light of the continuing service conditions and internal and external performance conditions.

In the financial statements of Safran SA, the payroll cost relating to plans not yet fully vested is recognized on a straight-line basis over the vesting period (i.e., 36 months). The payroll cost is determined on the basis of the buyback price and revised assumptions concerning internal conditions and the number of shares still outstanding.

Shares were delivered in 2024 under the 2021 plan.

A new plan (2024-2027) was initiated by way of a decision by the Board of Directors on March 21, 2024.

1.2.3 Free share grant

In accordance with the authorization granted by the Annual General Meeting of May 25, 2023, the Board of Directors decided at its meeting on the same date to grant free Company shares to Group employees.

Under the grant, 85,519 employees of Group companies worldwide and on the payroll at February 25, 2023 each received 10 shares.

The shares granted are subject to a two-year vesting period. They do not include any specific performance conditions, other than beneficiaries forming part of the Group during the vesting period (continuing service condition).

All the free shares granted by Safran SA to its own employees will be equity-settled, except in countries where regulatory, tax or labor conditions do not allow for free share grants. In such countries, plan beneficiaries (1,384 employees outside France identified at the grant date) will receive a cash amount valued at the average price of the Safran share over the 20 trading days preceding the delivery date of the shares.

The expense recognized at December 31, 2024 in respect of the free shares, including social security contributions, was €2 million.

NOTE 2 ACCOUNTING POLICIES**2.1 Accounting rules and methods****2.1.1 Standards applied**

The financial statements for the year ended December 31, 2024 have been prepared in accordance with the rules and regulations applicable in France as set out in the French General Chart of Accounts (*Plan comptable général*) and defined in Regulation 2014-03 issued by the French accounting standards-setter (*Autorité des normes comptables* – ANC) (consolidated version of January 1, 2024).

The financial statements have been prepared on a going concern basis using the accruals basis of accounting and consistent methods, in accordance with the basic principle of prudence and with the general rules for preparing and presenting parent company financial statements, in order to provide a true and fair value of the Company.

Unless otherwise stated, accounting items are carried at historical cost.

2.2 Intangible assets

All intangible assets are valued at purchase cost.

The gross cost of intangible asset items is amortized over the expected useful life of these assets using the straight-line method:

- patents and licenses are amortized over the shorter of the period of legal protection and period of effective use;

- software solutions are carried at purchase cost plus any development costs incurred in order to bring it into operation, and are amortized on a straight-line basis over a period of one to eight years.

Research and development costs are recorded as expenses in the period in which they are incurred.

2.3 Property, plant and equipment

As required by the applicable accounting regulations (CRC Regulation 2004-06 issued by the Accounting Standards Committee), since January 1, 2005 property, plant and equipment have been depreciated over their useful lives.

Property, plant and equipment are recorded in the balance sheet at historical purchase cost less accumulated depreciation and impairment losses.

Purchase cost comprises the purchase price, ancillary fees and all costs directly attributable to bringing the asset to the location and condition ready for its intended use.

Assets purchased in a foreign currency are translated into euros at the exchange rate prevailing on the transaction date.

Assets produced by the Company are recorded at production cost.

In compliance with CRC Regulation 2004-06, significant components of certain assets such as buildings whose useful lives differ from that of the asset as a whole are recognized and depreciated separately. Interest accrued on borrowings during the development and construction phases is not included as part of the cost of the assets concerned.

2.3.1 Depreciation

The main useful lives applied to property, plant and equipment are as follows:

■ Buildings	15 to 40 years
■ Building improvements, fixtures and fittings	10 years
■ Office furniture	6 years and 8 months
■ Office equipment	6 years and 8 months
■ Vehicles	4 years
■ Technical installations, equipment, industrial tools and other	3 to 10 years

Property, plant and equipment are depreciated on a straight-line or declining-balance basis.

2.3.2 Impairment

If there is evidence that an asset may be impaired at year-end, the Company performs an impairment test. The Company considers external indications of impairment such as events or changes in the market environment with an adverse impact on the entity that occurred during the reporting period or will occur in the near future, along with internal indications of impairment such as obsolescence or significant changes in the way in which an asset is used.

Impairment is recognized in the income statement when the recoverable amount of the asset falls below its carrying amount. Recoverable amount is the higher of fair value and value in use.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction, less costs to sell. Value in use is based on the present value of expected future cash flows, calculated using a benchmark discount rate which reflects the Group's weighted average cost of capital.

2.4 Financial assets

Financial assets are recorded at purchase price.

2.4.1 Treasury shares

Within the scope of the share buyback program set up for purposes other than for remittance to employees, the treasury shares purchased are included in other financial assets.

Treasury shares are recorded at purchase cost including ancillary fees. Fair value is equal to the lower of purchase cost and the average stock market price for the month preceding the year-end.

Impairment is recognized when the carrying amount (average share price for the month preceding the period-end) is lower than the purchase price.

However, the following specific accounting rules apply for stock option and free share plans or any other type of employee share ownership plan:

- when shares are earmarked for a specific stock option plan whose exercise is considered probable, an additional calculation is performed for each plan. A contingency provision is recorded when the option exercise price is less than the fair value;
- when shares are allocated to a specific free share plan, they are classified as marketable securities. Their carrying amount corresponds to either (i) the purchase price of the shares if they were allocated to the plan as from its inception, or (ii) the carrying amount of the shares at the date they are reclassified if they are allocated to the plan subsequent to their acquisition. These shares are not measured at fair value due to the underlying commitment to grant them to employees, which is covered by a provision recorded under liabilities in the balance sheet;
- shares acquired with a view to their subsequent cancellation are not impaired.

2.4.2 Equity investments

The 2007 French Finance Act introduced a tax treatment for equity investment acquisition expenses requiring their capitalization (inclusion in the cost price of securities) and amortization over a period of five years by way of accelerated tax depreciation/amortization.

Therefore, in accordance with the opinion issued by the CNC Urgent Issues Taskforce (*Comité d'urgence*) on June 15, 2007, the Company elected for a change in tax option from January 1, 2007, whereby the gross carrying amount of equity investments purchased after this date corresponds to the purchase price of the securities plus acquisition expenses. These acquisition expenses are then subject to accelerated tax depreciation/amortization over a period of five years.

Where the recoverable amount of equity investments is less than their carrying amount, impairment is recognized for the amount of the difference.

The fair value of equity investments is calculated:

- based on their average stock market price for the month preceding the year-end for listed investments;
- based on their share in net equity, adjusted where appropriate for significant unrealized capital gains net of taxes; or
- based on the intrinsic value of equity, reflecting the present value of the expected future cash flows (enterprise value), adjusted for the net financial position, for other equity investments.

Provisions are recorded in respect of loans and other financial assets when their recovery is uncertain.

The merger deficit is tested annually for impairment. In the event that any of the underlying equity investments are sold, the portion of the deficit allocated to the investment concerned is released to the income statement.

2.5 Receivables and payables

Receivables and payables are recorded at nominal value.

Impairment in value is recognized on receivables where their recoverable amount is less than their carrying amount.

2.5.1 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rate prevailing at the transaction date.

Receivables and payables in foreign currencies are translated into euros at the exchange rate prevailing at year-end, while any resulting translation gains or losses are recorded under unrealized foreign exchange gains or losses. A provision is set aside for any unrealized foreign exchange losses at December 31, unless the losses are offset by potential gains in the same currency and over the same period.

2.6 Marketable securities

Marketable securities are measured as described below:

- the gross value of marketable securities reflects their purchase price;
- when the fair value of marketable securities, determined based on their value in use or their probable trading value, is less than their gross carrying value, impairment is recognized for the amount of the difference. The fair value of listed securities is determined based on their average stock market price for the month preceding the year-end.

2.7 Cash at bank and in hand

This caption consists mainly of bank accounts held by the Company.

Foreign currency denominated liquid assets held at year-end are translated into euros at the exchange rate prevailing at December 31.

Any resulting translation gains or losses are recorded in financial income and expenses.

2.8 Tax-driven provisions

Increases in standard depreciation and amortization rates for intangible assets and/or property, plant and equipment, as permitted by the tax authorities to encourage investment, are considered as "accelerated tax depreciation/amortization" and are recorded in tax-driven provisions in equity.

Provisions for accelerated tax depreciation/amortization are also recorded in respect of equity investment acquisition expenses.

2.9 Provisions for contingencies and losses

A provision is recognized when the Company has a present obligation, and it is likely or certain that this obligation will give rise to an outflow of economic resources with no equivalent consideration in return.

Provisions for contingencies and losses are recognized as described below:

- provisions for contingencies are set aside based on the risk known at the end of the current reporting period. The amount of the provision reflects the amount of any damages claimed or estimated based on the progress of proceedings and on the opinion of the Company's legal counsel;
- provisions for losses mainly concern the expense relating to the refund of tax savings made on loss-making subsidiaries, and employee benefit obligations.

2.9.1 Employee benefit obligations

The Company has various obligations under defined benefit plans. The most important of these obligations are described below:

- the Company's obligations for end-of-career bonuses payable pursuant to the metallurgy industry collective bargaining agreement or company agreements are covered by provisions;
- a defined benefit supplementary pension plan that was closed to new entrants on December 31, 2017 and under which all conditional entitlements were frozen as of December 31, 2016. The beneficiaries of this closed plan are Group executive managers with five years' service at December 31, 2017.

These obligations are recognized and measured in accordance with ANC Recommendation 2013-02 (as amended on November 5, 2021) on the recognition and measurement of employee benefit obligations. The Company adopted the method introduced by the IFRS IC. All obligations under defined benefit plans are measured by an independent actuary.

Where appropriate, the impact of changes in actuarial assumptions underlying the calculation of post-employment benefits (end-of-career bonuses and top-hat retirement plans) is spread over the expected average remaining working lives of employees in accordance with the corridor method. Any liabilities not covered by a provision (actuarial differences and unrecognized past service costs) are presented in off-balance sheet commitments.

All components of the net periodic pension cost (service cost, amortization of actuarial gains and losses, impacts of plan amendments, interest cost and return on plan assets) are recorded in the income statement.

In addition, employees are eligible for defined contribution pension plans, including:

- statutory pension plans;
- complementary pension plans;
- supplementary pension plans (the "Article 83" plan for engineers and managers and the additional "Article 83" plan and the "Article 82" plan for executive managers).

The expense for the year corresponding to the Company's contributions is presented in the income statement.

2.10 Financial instruments

2.10.1 Foreign currency hedges

To protect its earnings, Safran implements a hedging policy with the aim of reducing uncertainty factors affecting the Group's operating profitability and allowing it to adapt its cost structure to a volatile monetary environment.

Hedging policy

Three basic principles underscore the foreign currency risk management policy defined by Safran for most of its subsidiaries:

- to protect the Group's economic performance from random fluctuations in the US dollar;
- to optimize the quality of hedging whenever possible, without jeopardizing the Group's economic performance (first principle);
- to provide visibility as regards the exchange rate applied in the Group's consolidated financial statements.

Protecting economic performance means setting a minimum USD exchange rate parity over an applicable term in order to allow frontline employees to conduct their business based on predictable exchange rates. Hedging arrangements have been made accordingly over a timeframe of four years.

Management policy

The hedging policy is based on managing the financial instrument portfolio in order to guarantee a predefined minimum parity.

In building up its hedging portfolio, the Group primarily uses forward sales, accumulators and a combination of options. Certain instruments include knock-in or knock-out barrier options, representing a risk to the size of the hedge book and to targeted hedge rates in certain cases of exchange rate fluctuations.

Optimization measures are also used with a view to improving the minimum exchange rate parity, and seek to protect the Group's economic performance at all times. They are based on products that allow the Group to take advantage of any improvement in the underlying exchange rate parities.

As most of the derivatives in the portfolio have a maturity of less than one year, Safran extends derivatives in order to align their maturity with that of the flows hedged. Such extensions do not have a cash impact ("historical cost method").

The fair value of financial instruments set up by Safran to hedge the net position of foreign-currency denominated operating receivables and payables of subsidiaries covered by a Safran foreign exchange guarantee is recorded in the balance sheet.

The fair value of financial instruments used to hedge future transactions denominated in foreign currencies is not recorded in the balance sheet.

Premiums paid and received on options are initially recorded in the balance sheet and then released to the income statement on maturity or expiration of the options.

Foreign currency gains and losses arising on these transactions along with hedging gains and losses transferred to subsidiaries are recorded as foreign exchange gains and losses.

2.10.2 Interest rate hedges

The Company may use interest rate swaps to hedge its exposure to changes in interest rates.

2.11 Revenue

Revenue recognized by the Company mainly arises from the provision of services and general assistance provided to the Group's subsidiaries.

Recurring services are billed on a monthly basis.

2.12 Non-recurring items

In particular, non-recurring items include capital gains and losses arising on the sale of non-current assets.

2.13 Income tax and tax consolidation in France

The Company elected for the Group tax consolidation regime set out in Articles 223-A to 223-Q of the French Tax Code (*Code général des impôts*), and a tax consolidation group was set up by Safran SA, registered in Paris under number RCS 562 082 909 on January 1, 2005.

In fiscal 2024, the tax consolidation group included the following companies:

- Safran (head of the tax group);
- Asterios Technologies;
- Établissements Vallaroche;
- Galli Participations;
- Lexvall 29;
- Safran Additive Manufacturing Campus;
- Safran Aero Composite;
- Safran Aerosystems;
- Safran Aircraft Engines;
- Safran Cabin France;
- Safran Ceramics;
- Safran Corporate Ventures;
- Safran Data Systems;
- Safran Data Systems Investment;
- Safran Electrical & Power;
- Safran Electrical & Power Chatou;
- Safran Electrical & Power Conflans;
- Safran Electrical Components;
- Safran Electronics & Defense;
- Safran Electronics & Defense Beacons;
- Safran Engineering Services;
- Safran Filtration Systems;
- Safran Helicopter Engines;
- Safran Landing Systems;
- Safran Landing Systems Services Dinard;
- Safran Nacelles;
- Safran Power Units;
- Safran Reosc;
- Safran Seats;
- Safran Spacecraft Propulsion;
- Safran Transmission Systems;
- Safran Trusted 4D;
- Safran Turbine Airfoils;
- Safran Ventilation Systems;
- SCI GP2;
- Snecma Participations;
- SSI;
- Soreval France;
- Syrlinks;
- Vallaroche Conseil.

The following companies joined the tax consolidation group in 2024:

- Safran Turbine Airfoils;
- Lexvall 29;
- Safran Electrical & Power Chatou;
- Safran Electrical & Power Conflans.

Financière Orolia is no longer consolidated for tax purposes following its merger with Safran Electronics & Defense.

Lexvall 22 is now known as Soreval France.

In accordance with the tax consolidation agreements entered into between Safran and its subsidiaries, each subsidiary in the tax group records in its accounts the amount of tax that it would have paid on a stand-alone basis. Any tax savings or additional liabilities arising as a result of tax consolidation are recorded by Safran in its capacity as head of the tax group.

Any tax savings arising on the use of tax losses of subsidiaries in the tax consolidation group are recorded in Safran's income statement and neutralized by way of a provision. This provision is released to profit or loss when prior-year losses are used by the consolidated subsidiary or when they become time-barred and may no longer be used by the subsidiary concerned.

NOTE 3 NOTES TO THE BALANCE SHEET

3.1 Intangible assets, property, plant and equipment and financial assets

3.1.1 Gross carrying amount

Movements in non-current assets break down as follows:

(in € millions)	Dec. 31, 2023	Acquisitions, contributions, creations, increases	Reclassifications	Sales, spin-offs, decreases	Dec. 31, 2024
Concessions, patents, licenses and IT solutions	183	5	22	-	210
Intangible assets in progress	22	8	(22)	-	8
Payments on account	-	-	-	-	-
Intangible assets	205	13	-	-	218
Land and improvements	4	-	-	-	4
Buildings	110	2	1	-	113
Installations, equipment and tools	55	-	-	-	55
Other property, plant and equipment	80	7	3	(9)	81
Property, plant and equipment in progress	11	9	(4)	-	16
Payments on account	1	-	-	-	1
Property, plant and equipment	261	18	-	(9)	270
Financial investments ⁽¹⁾⁽²⁾	18,150	25	-	(1)	18,174
Loans to equity investments ⁽³⁾⁽⁴⁾	265	92	-	(4)	353
Other long-term investments	3	-	-	(1)	2
Loans	5	-	-	(1)	4
Other financial assets ⁽⁵⁾⁽⁶⁾	1,784	1,578	-	(2,363)	999
Financial assets	20,207	1,695	-	(2,370)	19,532
TOTAL NON-CURRENT ASSETS	20,673	1,726	-	(2,379)	20,020

(1) In accordance with ANC Regulation 2015-06, the merger deficit has been classified within financial investments as a result of its allocation to unrealized capital gains on equity investments for an amount of €9,064 million. The merger deficit breaks down as follows:

- the Snecma-Sagem merger for €3,069 million;
- the Safran-Zodiac Aerospace merger for €5,995 million.

(2) Financial investments: €15 million capital increase for Établissements Vallaroché and €9 million capital increase for AD Holding.

(3) Primarily increases in loans and accrued interest for Safran Aircraft Engines Services India for €66 million, Safran Aircraft Engines Hyderabad for €13 million, GIE MV2 investments for €8 million and Farnat for €4 million.

(4) Primarily repayment of the loan to Roxel SAS for €3 million.

(5) Primarily the sale of treasury shares for €1,201 million due to the conversion of OCEANE bonds, the cancellation of treasury shares for €750 million and treasury share transactions carried out under the liquidity agreement entered into in 2012 with Oddo BHF for €401 million.

(6) Primarily the buyback of treasury shares for cancellation for €750 million, the purchase of treasury shares for €415 million, and treasury share transactions carried out under the liquidity agreement entered into in 2012 with Oddo for €411 million. At December 31, 2024, 115,834 shares were held in connection with the liquidity agreement.

3.1.2 Depreciation and amortization

(in € millions)	Dec. 31, 2023	Additions	Reclassifications	Reversals	Dec. 31, 2024
Concessions, patents, licenses and IT solutions	177	8	-	-	185
TOTAL INTANGIBLE ASSETS	177	8	-	-	185
Land and improvements	2	-	-	-	2
Buildings	77	6	-	-	83
Installations, equipment and tools	33	5	-	-	38
Other property, plant and equipment	56	10	-	(8)	58
TOTAL PROPERTY, PLANT AND EQUIPMENT	168	21	-	(8)	181

3.1.3 Asset impairment

(in € millions)	Dec. 31, 2023	Additions	Reversals	Dec. 31, 2024
Impairment of financial assets ⁽¹⁾	1,328	-	(824)	504
Impairment of current assets	6	-	-	6
TOTAL	1,334	-	(824)	510

(1) Including reversal of provisions for impairment of Galli Participations shares (€730 million), ArianeGroup Holding shares (€82 million), Établissements Vallaroche shares (€10 million) and Safran UK shares (€2 million).

3.1.4 List of subsidiaries and investments

Disclosures provided in accordance with Article R.123-197-2 of the French Commercial Code (in € millions)

Company	Business line	Share capital	Equity other than share capital and profit	% voting rights (%)	Share capital held (%)
A. DETAILED INFORMATION ON SUBSIDIARIES AND ASSOCIATES WHOSE GROSS CARRYING AMOUNT EXCEEDS 1% OF SAFRAN'S SHARE CAPITAL (I.E., €0.8 MILLION)					
1. Subsidiaries (more than 50%-owned)					
a) French companies					
ArianeGroup Holding (SIREN: 519032171, Paris, France)	Propulsion	374.1	2,952.1	50.0	50.0
Établissements Vallaroche (SIREN: 542028154, Paris, France)	Holding company	15.6	0.7	100.0	100.0
Galli Participations (SIREN: 402112403, Paris, France)	Holding company	334.0	1,652.4	100.0	100.0
Safran Additive Manufacturing Campus (SIREN: 815255773, Le Haillan, France)	Holding company	60.0	(7.3)	100.0	100.0
Safran Aircraft Engines (SIREN: 414815217, Paris, France)	Propulsion	154.1	492.3	97.4	97.4
■ Safran Ceramics (SIREN: 440513059, Le Haillan, France)	Propulsion	0.1	27.7	100.0	100.0
■ Safran Electrical & Power (SIREN: 301501391, Blagnac, France)	Aircraft Equipment	19.4	221.5	78.4	78.4
■ Safran Electronics & Defense (SIREN: 480107911, Paris, France)	Defense	45.6	458.1	65.3	65.3
■ Safran Helicopter Engines (SIREN: 338481955, Bordes, France)	Propulsion	38.8	307.7	100.0	100.0
■ Safran Landing Systems (SIREN: 712019538, Vélizy-Villacoublay, France)	Aircraft Equipment	83.7	418.5	100.0	100.0
■ Safran Nacelles (SIREN: 352050512, Gonfreville-l'Orcher)	Aircraft Equipment	56.7	36.8	88.5	88.5
■ Safran Transmission Systems (SIREN: 692015217, Colombes, France)	Aircraft Equipment	36.8	14.5	100.0	100.0
■ Safran Ventilation Systems (SIREN: 710802547, Blagnac, France)	Aircraft Equipment	1.3	5.0	100.0	100.0
b) Foreign companies					
■ Safran Aero Boosters	Propulsion	54.9	764.3	67.2	67.2
■ Safran China ⁽²⁾	Holding company	2.8	4.1	100.0	100.0
■ Safran Electrical Power UK Ltd	Aircraft Equipment	277.0	(45.7)	100.0	100.0
■ Safran Maroc ⁽²⁾	Holding company	1.8	(0.4)	100.0	100.0
■ Safran Serviços de Suporte de Programas Aeronauticos ⁽²⁾	Aircraft Equipment	0.2	0.0	100.0	100.0
■ Safran UK Ltd	Holding company	19.6	3.2	100.0	100.0
■ Safran USA Inc.	Holding company	0.0 ⁽¹⁾	2,892.3	56.4	56.4
2. Investments (10%- to 50%-owned)					
a) French companies					
AD Holding	Propulsion	339.1	13.9	33.3	33.3
Corse Composites Aéronautiques ⁽²⁾	Aircraft Equipment	1.7	34.8	24.8	24.8
FCPR Aerofund II	Investment fund	75.0		16.6	16.6
FCPR Aerofund III	Investment fund	167.0		16.3	16.3
B. SUMMARY INFORMATION CONCERNING OTHER SUBSIDIARIES AND INVESTMENTS					
1. Subsidiaries (more than 50%-owned)					
(a) French companies					
(b) Foreign companies					
2. Investments (10%- to 50%-owned)					
(a) French companies					
(b) Foreign companies					

For foreign companies, share capital, equity, revenue and profit amounts were translated into euros at the exchange rate prevailing at December 31, 2024.

(1) Additional paid-in capital of US-based entities is shown under "Equity other than share capital and profit."

(2) Position at December 31, 2023.



3.2 Receivables

Receivables break down as follows at December 31, 2024:

(in € millions)	Gross carrying amount at Dec. 31, 2024	Less than 1 year	Between 1 and 5 years	More than 5 years
Payments on account made on outstanding orders	1	1	-	-
Trade receivables	332	201	131	-
Operating receivables	333	202	131	-
Miscellaneous receivables	502	502	-	-
Group current accounts	3,807	3,807	-	-
Prepayments	46	46	-	-
Unrealized foreign exchange losses	409	248	-	161
Other receivables	4,764	4,603	-	161
Impairment	(6)	(6)	-	-
TOTAL	5,091	4,799	131	161

3.3 Marketable securities, cash at bank and in hand

Marketable securities and cash at bank and in hand break down as follows:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Marketable securities	5,111	4,660
Cash at bank and in hand	1,421	1,676
MARKETABLE SECURITIES, CASH AT BANK AND IN HAND	6,532	6,336

Marketable securities comprise:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Treasury shares	309	393
Other securities	4,802	4,267
TOTAL	5,111	4,660

3.3.1 Treasury shares classified as marketable securities

	Dec. 31, 2023	Purchase	Sale	Dec. 31, 2024
Number of shares	2,131,834	727,600	(439,008)	2,420,426
Gross value (in € millions)	309	146	(62)	393
Impairment (in € millions)	-	-	-	-
Net value (in € millions)	309	146	(62)	393

Acquisitions correspond to the purchase of 727,600 shares in connection with the implementation of a share buyback program in connection with employee shareholding plans.

Sales correspond to a total of 439,008 shares delivered under a multi-year variable compensation plan and employee shareholding plans.

At December 31, 2024, Safran held 6,857,467 of its own shares, classified either as financial assets (4,321,207 shares) or as marketable securities (2,420,426 shares).

3.3.2 Other securities

Other securities include term deposits with liquid exit options exercisable at no cost within 92 days, readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.

Marketable securities at December 31, 2024 include €1,200 million in investments falling within the scope of master agreements governing the subscription of OTC derivatives with bank counterparties.

3.4 Accrued income

In accordance with the accrual principle, accrued income is recorded in the following asset headings:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Loans to equity investments	-	4
Trade receivables	317	311
Other receivables	1	1
TOTAL	318	316

3.5 Prepayments

Prepayments amounted to €46 million at December 31, 2024.

They mainly concerned expenses on IT solution leases (€22 million), IT maintenance agreements (€13 million) and insurance costs (€8 million).

3.6 Unrealized foreign exchange losses and redemption premiums

Unrealized foreign exchange losses represented €409 million at December 31, 2024.

They primarily resulted from the translation of foreign currency borrowings, loans and current accounts at the 2024 year-end exchange rate.

Redemption premiums on bonds amounted to €4 million at December 31, 2024. These premiums are amortized on a straight-line basis over the term of the bonds.

3.7 Equity

3.7.1 Share capital

In 2024, Safran purchased a total of 3,627,954 shares for €750 million.

In December 2024, these shares held in treasury were canceled, reducing the share capital from €85,452,108.20 to €84,726,517.40.

At December 31, 2024, Safran's share capital was fully paid up and comprised 423,632,587 ordinary shares, with a par value of €0.20 each.

The Safran share (ISIN code: FR0000073272/Ticker symbol: SAF) is listed continuously on Compartment A of the Eurolist market of Euronext Paris and is eligible for the deferred settlement service.

Changes in the breakdown of share capital and voting rights are as follows:

December 31, 2023

Shareholders	Number of shares	% share capital	Number of voting rights ⁽¹⁾	% voting rights ⁽¹⁾
Free float	339,335,048	79.42%	380,742,136	72.11%
French State	47,983,131	11.23%	95,966,262	18.18%
Employees ⁽²⁾	26,208,937	6.13%	51,256,826	9.71%
Treasury shares	13,733,425	3.22%	-	-
TOTAL	427,260,541	100.00%	527,965,224	100.00%

(1) Exercisable voting rights.

(2) Employee shareholding within the meaning of Article L.225-102 of the French Commercial Code.

December 31, 2024

Shareholders	Number of shares	% share capital	Number of voting rights ⁽¹⁾	% voting rights ⁽¹⁾
Free float	343,340,479	81.05%	387,560,131	72.86%
French State	49,050,846	11.58%	97,033,977	18.24%
Employees ⁽²⁾	24,383,795	5.75%	47,325,475	8.90%
Treasury shares	6,857,467	1.62%	-	-
TOTAL	423,632,587	100.00%	531,919,583	100.00%

(1) Exercisable voting rights.

(2) Employee shareholding within the meaning of Article L.225-102 of the French Commercial Code.

Each share carries entitlement to one vote.

Shares held in registered form for over two years have double voting rights.

The 6,857,467 treasury shares have no voting rights.

3.7.2 Changes in shareholders' equity

(in € millions)	Dec. 31, 2023	Appropriation of 2023 profit	Increase	Decrease	Dec. 31, 2024
Share capital	85	-	-	-	85
Additional paid-in capital	5,569	-	-	-	5,569
Legal reserve	9	-	-	-	9
Tax-driven reserves	302	-	-	-	302
Other reserves ⁽¹⁾	1,421	-	-	-	1,421
Retained earnings ⁽²⁾	5,075	658	-	(1,660)	4,073
Tax-driven provisions	23	-	2	-	25
2023 profit	658	(658)	-	-	-
2024 profit	-	-	2,891	-	2,891
TOTAL	13,142	-	2,893	(1,660)	14,374

(1) Including €309 million covering treasury shares held at December 31, 2024 and classified as marketable securities.

(2) The decrease in retained earnings corresponds to the amount of the dividends for 2023 paid by Safran SA in 2024 for a total of €910 million and the impact of the cancellation of treasury shares for €750 million.

3.8 Tax-driven provisions and provisions for contingencies and losses

Movements in tax-driven provisions can be analyzed as follows:

(in € millions)	Dec. 31, 2023	Additions	Reversals		Dec. 31, 2024
			Surplus	Utilized	
Accelerated tax depreciation/ amortization	10	2	-	(2)	10
Accelerated tax depreciation/ amortization (share acquisition fees)	13	2	-	-	15
TOTAL TAX-DRIVEN PROVISIONS	23	4	-	(2)	25

Provisions for contingencies and losses can be analyzed as follows:

(in € millions)	Dec. 31, 2023	Additions	Reversals		Dec. 31, 2024
			Surplus	Utilized	
Foreign exchange losses	40	42	-	(40)	42
Disputes and litigation	3	2	-	(1)	4
Contingency provisions	43	44	-	(41)	46
Retirement benefits and similar obligations	23	8	-	(6)	25
Income tax – loss-making subsidiaries, under-capitalization	392	13	-	(37)	368
Other	340	77	-	(70)	347
Loss provisions	755	98	-	(113)	740
TOTAL	798	142	-	(154)	786
Loss from operations		87	-	(77)	
Financial income		42	-	(40)	
Non-recurring income (expense)		13	-	(37)	
TOTAL		142	-	(154)	

Other loss provisions include the cost of performance shares and free shares.

In accordance with the tax consolidation agreements entered into between Safran and its subsidiaries, each subsidiary in the tax group records in its accounts the amount of tax that it would have paid on a stand-alone basis. Any tax savings or additional liabilities arising as a result of tax consolidation are recorded by Safran in its capacity as head of the tax group.

Any tax savings arising on the use of tax losses of subsidiaries in the tax consolidation group are recorded in Safran's income statement and neutralized by way of a provision. This provision is released to profit or loss when prior-year losses are used by the consolidated subsidiary or when they become time-barred and may no longer be used by the subsidiary concerned.

3.8.1 Employee benefit obligations

The main assumptions used to calculate the Company's employee benefit obligations were as follows:

	Dec. 31, 2023	Dec. 31, 2024
Discount rate	3.20%	3.50%
Inflation rate	2.00%	2.00%
Expected return on plan assets	3.20%	3.50%
Rate of future salary increases	Age table	Age table
Probable retirement age of managerial-grade staff	Age at full rate	Age at full rate
Probable retirement age of non-managerial-grade staff	Age at full rate	Age at full rate
Mortality tables used	TGHF05	TGHF05

Under the French Green Industry Law, a gender-neutral mortality table is now used to calculate the benefit obligation under Article 39 for senior executives.

As plan entitlements are not affected by this change in legislation, the impact on the obligation is recognized in actuarial gains and losses for €300,000.

The table below shows movements in employee benefit obligations:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024	Defined benefit pension plans	Retirement termination benefits
Present value of obligation	37	37	8	29
Fair value of plan assets	(1)	-	-	-
Funding shortfall	36	37	8	29
■ o/w provision	37	37	-	-
■ o/w plan assets	(1)	-	-	-
Unrecognized actuarial gains and losses and past service costs	(13)	(13)	(5)	(8)
Benefit obligations covered by a provision in the balance sheet	23	24	3	21
Current service cost	2	2	-	2
Interest cost	1	1	-	1
Amortization of actuarial gains and losses	3	5	5	-
Special events	-	-	-	-
Expense	6	8	5	3
Benefits paid	(6)	(4)	(2)	(2)
Provision charge/(reversal)	-	4	3	1

3.8.2 Defined benefit pension plans

The Group closed a defined benefit supplementary pension plan on December 31, 2017 and froze all conditional entitlements as of December 31, 2016.

The beneficiaries of this closed plan are Group executive managers with five years' service at December 31, 2017.

The closure of the plan was part of a change in supplementary pension arrangements for Group executive managers, with the introduction of an additional "Article 83" defined contribution plan (mandatory collective plan) and an "Article 82" defined contribution plan (voluntary collective plan) as from January 1, 2017.

3.8.3 Retirement termination benefits

This caption includes obligations in respect of statutory termination benefits due on retirement and supplementary payments required by the collective bargaining agreement for the metallurgy industry.

3.9 Financial liabilities, operating payables and other liabilities

Movements in these items can be analyzed as follows:

(in € millions)	Total at Dec. 31, 2024	Less than 1 year	Between 1 and 5 years	More than 5 years
Bond issue	2,130	-	1,430	700
USD senior unsecured notes issue	588	-	-	588
Miscellaneous loans and borrowings	1,039	500	331	208
■ Deposits and guarantees received	1	-	1	-
■ Other loans and borrowings	1,029	491	330	208
■ Accrued interest	9	9	-	-
Financial liabilities	3,757	500	1,761	1,496
Group current accounts	10,629	10,629	-	-
Payments on account received	18	18	-	-
Trade payables	160	160	-	-
Amounts payable on non-current assets	3	3	-	-
Other liabilities	551	548	3	-
Deferred income	13	4	9	-
Unrealized foreign exchange gains	290	290	-	-
Operating payables and miscellaneous liabilities	11,664	11,652	12	-

3.9.1 Financial liabilities

USD senior unsecured notes issue (2020-2032)

On June 29, 2020, Safran issued senior unsecured notes on the US private placement market (USPP) for a total amount equivalent to €564 million, comprising:

- USD 181 million due June 2030 at a 3.10% fixed-rate coupon (tranche A);
- USD 133 million due June 2032 at a 3.30% fixed-rate coupon (tranche B);
- €122 million due June 2030 at a 2.00% fixed-rate coupon (tranche C);
- €164 million due June 2032 at a 2.05% fixed-rate coupon (tranche D).

A EUR/USD cross-currency swap (EUR fixed-rate borrower and USD fixed-rate lender) was set up on tranches A and B on July 21, 2020, swapping USD fixed-rate debt for EUR fixed-rate debt.

After taking this hedge into account, tranche A bears fixed-rate interest at 2.04% and has a notional amount of €158 million, while tranche B bears fixed-rate interest at 2.22% and has a notional amount of €116 million.

After taking this hedge into account, the 10-year notes (tranches A and C) of the USPP carry an effective coupon of 2.02% and have a notional amount of €280 million, while the 12-year notes (tranches B and D) carry an effective coupon of 2.12% and have a notional amount of €280 million.

Bond issue

On March 16, 2021, Safran issued:

- 5-year, 0.125% fixed-rate bonds for €700 million (maturing on March 16, 2026). The bonds were issued at 99.231% of par;
- 10-year, 0.750% fixed-rate bonds for €700 million (maturing on March 17, 2031). The bonds were issued at 99.349% of par.

Since their issuance, the bonds have been rated by Standard & Poor's in line with Safran's long-term credit rating (A- since December 2, 2022).

2021-2028 OCEANES

On June 14, 2021, Safran issued 4,035,601 bonds convertible into new shares and/or exchangeable for existing shares ("OCEANES"), each with a par value of €180.89, i.e., representing a total nominal amount of €730 million. The bonds do not carry any coupon.

The bonds were issued at a price of €187.22 per bond, representing a total issue price of €756 million.

The difference between the nominal amount (€730 million) and the amount of the issue (€756 million) was recognized in deferred income, to be amortized on a straight-line basis to the bonds' maturity date of April 1, 2028.

Unless converted, redeemed or repurchased and canceled prior to maturity, the bonds are redeemable at par on April 1, 2028.

Negotiable European Commercial Paper (NEU CP)

Negotiable European Commercial Paper (NEU CP) subscribed by a corporate mutual fund of the Group employee savings plan and amounting to €300 million at December 31, 2024. The average interest rate payable by Safran on this commercial paper was 3.61% at December 31, 2024. The sums managed by the corporate mutual fund and reinvested in Safran NEU CP are frozen for an initial period of five years. In view of the fund's commitments, this NEU CP is classified within long-term borrowings. At December 31, 2024, 87% of the sums managed by the corporate mutual fund will be available within one year.

Negotiable European Commercial Paper (NEU CP) representing €200 million at December 31, 2024, reflecting the priority given to longer-term debt instruments.

European Investment Bank

A bank loan from the European Investment Bank (EIB) for €500 million, at a fixed rate of 1.091%. It was signed on March 4, 2021 and drawn down in full on February 21, 2022 for 10 years (maturing in February 2032). The loan is being used to finance some of the Group's research into innovative propulsion systems for the next generation of single-aisle commercial aircraft, marking a major step forward in Safran's roadmap towards achieving carbon-free air transportation.

3.10 Accrued expenses

Accrued expenses are included in the following liability headings:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Other bond issues	15	5
Bank borrowings	2	2
Miscellaneous loans and borrowings	2	1
Trade payables	138	134
Taxes and payroll costs	98	105
Amounts payable on non-current assets	2	3
Other liabilities	8	7
TOTAL	265	257

3.11 Deferred income

Deferred income amounted to €13 million at December 31, 2024, breaking down as:

- the issue premium received in respect of the issue of the 2021-2028 OCEANes for €12 million, which is being amortized in income on a straight-line basis over the term of the bonds (seven years);
- an outstanding rent-free period for €1 million, which is being amortized over nine years.

3.12 Unrealized foreign exchange gains

Unrealized foreign exchange gains amounted to €290 million at December 31, 2024.

They primarily resulted from the translation of foreign currency borrowings, loans and current accounts at the 2024 year-end exchange rate.

3.9.2 Main transactions during the year

USD senior unsecured notes issue (2012-2024)

Redemption at maturity on February 9, 2024 of the last tranche of USD 505 million senior unsecured notes issued on February 9, 2012.

Bond issue

Redemption at maturity on April 11, 2024 of €200 million worth of bonds issued on April 11, 2014.

2020-2027 OCEANes

On May 29, 2024, Safran announced the early redemption on June 28, 2024 of bonds convertible and/or exchangeable for new and/or existing shares issued for a nominal amount of €1 billion in 2020 and originally falling due on May 15, 2027 (2027 OCEANes). Bondholders had the option of requesting the exercise of their conversion right up to and including June 18, 2024. A total of 729,306 OCEANE bonds were converted at a conversion ratio of 1.019 shares, and 8,329,456 OCEANE bonds were converted at a conversion ratio of 1.029 shares, representing 9,314,154 Safran shares delivered in total.

On June 28, 2024, the 180,819 bonds still outstanding were redeemed at par plus interest accrued since the most recent coupon payment date, i.e., €108.34416 per bond, for a total of €20 million.

NOTE 4 NOTES TO THE INCOME STATEMENT

4.1 Revenue

(in € millions)	2023	2024
General assistance	206	163
Administrative and financial services	73	80
R&T services	228	265
Group projects	1	1
IT services	265	295
Seconded employees	13	14
Real estate income	19	19
Other	60	65
TOTAL	865	902

4.2 Other income

Other income includes accrued receivables from subsidiaries relating to performance shares and free shares.

4.3 Expense transfers

Expense transfers during the year amounted to €23 million.

and mainly concerned expenses rebilled to Group subsidiaries and the reallocation of costs by nature.

4.4 Financial income

Financial income and expenses break down as follows:

(in € millions)	2023	2024
Dividends received and other investment income	1,387	2,320
Interest and similar income	418	417
Reversals of impairment of equity investments	3	824
Other reversals of provisions for financial items	113	40
Foreign exchange gains	-	-
Financial income	1,921	3,603
Impairment of equity investments	(650)	-
Other charges to provisions for financial items	(41)	(44)
Interest and similar expenses	(458)	(441)
Foreign exchange losses	(14)	(21)
Financial expenses	(1,163)	(506)
FINANCIAL INCOME	758	3,097

A breakdown of dividends is provided in the table of subsidiaries and investments.

“Reversals of impairment of equity investments” mainly concerns Galli Participations (€730 million), ArianeGroup Holding (€82 million) and Établissements Vallaroche (€10 million).

Other movements in provisions for financial items are mainly due to:

- a €40 million reversal of the provision for foreign exchange losses; and
- a €42 million charge to the provision for foreign exchange losses.

For the purpose of providing a meaningful comparison, foreign exchange gains and losses are presented on a single line of the income statement for the same fiscal year.

4.5 Non-recurring items

Non-recurring items can be analyzed as follows:

(in € millions)	Dec. 31, 2023	Dec. 31, 2024
Change in tax-driven provisions	(1)	(2)
Income from non-capital transactions	-	-
Income from capital transactions	8	11
Expenses on non-capital transactions	(4)	(1)
Expenses on capital transactions	(72)	(286)
Net charges to provisions and expense transfers	7	67
NON-RECURRING ITEMS	(62)	(211)

Non-recurring items result primarily from:

- an expense resulting from the conversion of OCEANE 2020-2027 bonds into treasury shares for €221 million;
- income arising on treasury share transactions carried out under the liquidity agreement entered into in 2012 with Oddo for €6 million.

4.6 Statutory employee profit-sharing

No employee profit-sharing expenses were recognized in either 2024 or 2023.

4.7 Income tax benefit

4.7.1 2024 Group relief

The application of tax consolidation in France led to the recognition of a net tax benefit totaling €96 million in the 2024 parent company financial statements (2023: net tax benefit of €55 million).

It breaks down primarily as:

- tax income of €702 million arising on the payment of tax by consolidated subsidiaries as though they had been taxed on a stand-alone basis; and
- a tax expense of €599 million resulting from the consolidated tax expense of €766 million, partially offset by €167 million in tax credits.

4.7.2 Provisions set aside to cover income taxes of loss-making subsidiaries

Safran refunds the tax savings arising due to the use of tax losses of subsidiaries when the subsidiaries return to profit. A provision is set aside in the Company's financial statements in this respect.

A net amount of €21 million was charged to the provision in 2024 (€1 million charge to the provision in 2023).

4.7.3 Other

Non-deductible expenses (Article 223 *quater* and Article 39.4 of the French Tax Code) amounted to €0.5 million in 2024 (€0.4 million in 2023) and relate to the non-deductible portion of vehicle lease payments and depreciation.

NOTE 5 OTHER INFORMATION

5.1 Off-balance sheet commitments and contingent liabilities

5.1.1 Commitments given

<i>(in € millions)</i>	Dec. 31, 2023	Dec. 31, 2024
Commitments given by Safran to third parties on behalf of its subsidiaries	3,425	3,918
Commitments given by Safran to customs authorities on behalf of its subsidiaries	272	11
Vendor warranties given	37	31
Actuarial gains and losses	12	13
Other commitments given	1,849	1,969
TOTAL⁽¹⁾	5,595	5,942
<i>(1) Of which related parties</i>	5,356	5,568

Commitments given to third parties relate mainly to guarantees granted by Safran to customers and principals (essentially aircraft manufacturers), in which Safran provides a joint and several guarantee that its subsidiaries will perform their duties under their contractual obligations. These guarantees are given in respect of research, design, development, manufacturing, marketing and product support programs in place at Group subsidiaries. They are generally granted for the term of the program concerned, and are capped at a certain amount.

In connection with the sale of the Identity and Security businesses on May 31, 2017, Safran granted Advent International a specific indemnity capped at BRL 200 million (€31 million at

December 31, 2024) to cover any financial consequences arising from the dispute between Morpho do Brasil and the Brazilian tax authorities concerning the calculation method for value added tax on certain products.

As part of Safran USA's contemplated acquisition of Collins Aerospace's actuation and flight control business, Safran SA contractually granted a USD 1.8 billion payment guarantee to Goodrich Corporation and Hamilton Sundstrand Corporation on behalf of its subsidiary Safran USA.

If certain regulatory approvals were to block the acquisition, Safran would have to pay termination costs of up to USD 72 million.

5.1.2 Commitments received

<i>(in € millions)</i>	Dec. 31, 2023	Dec. 31, 2024
Vendor warranties received	185	185
Other commitments received	237	192
TOTAL	422	377

On the sale of Aubert & Duval, Eramet granted Safran a general liability guarantee of €35 million and various specific warranties totaling €150 million.

Other commitments received primarily relate to commitments for the financing of civil programs.

5.1.3 Finance lease liabilities

The Company entered into two real estate finance leases for the Safran University campus and for the Safran Tech site in 2014.

<i>(in € millions)</i>	Value at inception	Carrying amount at Dec. 31, 2016	Theoretical charges to depreciation		Net
			Current period	Cumulative	
Land	9	9	-	-	9
Buildings	97	94	3	37	57
TOTAL	106	103	3	37	66

(in € millions)	Lease payments made		Lease payments outstanding			Residual purchase price (as per the lease)
	Current period	Cumulative	Less than 1 year	Between 1 and 5 years	More than 5 years	
Land	1	9			-	n/s
Buildings	10	89	10	5	-	-
TOTAL	11	98	10	5	-	-

5.1.4 Financial and hedging instruments

Safran holds derivative financial instruments including forward contracts, swaps and options which are used for the purposes of all Group companies to hedge (i) highly probable future transactions, determined on the basis of the order backlog and budget forecasts, and (ii) the net balance sheet position of foreign-currency denominated trade receivables and payables of subsidiaries.

As part of the cash pooling agreement entered into between Safran and its subsidiaries, Safran grants its subsidiaries a foreign exchange guarantee under which it commits to buying or selling net foreign currency surpluses or requirements at a guaranteed annual exchange rate.

The portfolio of foreign currency derivatives breaks down as follows:

			Dec. 31, 2024			
Currency against EUR	Derivative instrument	Position	Fair value ⁽¹⁾	Notional amount ⁽¹⁾	Less than 1 year	Between 1 and 5 years
USD	Forward exchange contracts	Buy	6	(900)	(900)	-
		Sell	-	-	-	-
	Cross-currency swaps		27	(314)	-	(314)
	Put options	Buy	433	56,912	56,912	-
		Sell	(3)	(6,500)	(6,500)	-
	Call options	Buy	310	(6,500)	(6,500)	-
		Sell	(8,552)	137,463	137,463	-
	Accumulators ⁽²⁾	Buy	18	(249)	(249)	-
		Sell	-	527	527	-
CAD	Call options	Buy	21	(1,334)	(1,354)	-
	Put options	Sell	(42)	(2,656)	(2,656)	-
GBP	Forward exchange contracts	Sell	-	-	-	-
	Call options	Buy	91	(1,326)	(1,326)	-
	Put options	Sell	(9)	(2,499)	(2,499)	-
MXN	Forward exchange contracts	Sell	-	-	-	-
	Call options	Buy	38	(29,301)	(28,710)	(591)
	Put options	Sell	(189)	(58,377)	(57,196)	(1,182)
FOREIGN CURRENCY DERIVATIVES PORTFOLIO			(7,851)			

(1) Fair values are expressed in millions of euros; notional amounts are expressed in millions of currency units.

(2) Notional amounts for accumulators represent the maximum cumulative amount until the instrument is unwound.

As mentioned in Note 2 on accounting policies, only premiums paid and received on options are recorded in Safran's balance sheet. The Company does not recognize the fair value of derivative instruments in its balance sheet, except for those set

up to hedge the net position of foreign-currency denominated operating receivables and payables of subsidiaries covered by a Safran SA foreign exchange guarantee.

USD interest rate risk management

On July 21, 2020, a cross-currency swap (USD fixed-rate lender/EUR fixed-rate borrower) was set up on two USD tranches of the June 29, 2020 senior unsecured notes issue on the US private placement market (USPP), amounting to USD 181 million bearing fixed-rate interest over a period of 10 years (tranche A) and USD 133 million bearing fixed-rate interest over a period of 12 years (tranche B). The interest rate portion of the cross currency swap was eligible for cash flow hedge accounting.

This cross-currency swap had a fair value of €12 million at December 31, 2024.

Credit rating

At December 31, 2024, as at December 31, 2023, Standard & Poor's long-term credit rating is A- with a stable outlook.

Revolving credit facilities

On May 4, 2022 Safran set up a €2 billion revolving credit facility, with an original maturity of May 2027, that was undrawn at December 31, 2024. Following the exercise of the two one-year extension options, the maturity has been extended to May 2029.

The financial terms and conditions of the liquidity line are indexed to the achievement by the Group of two sustainable development criteria: CO₂ emissions (Scopes 1 and 2) and the proportion of women among senior executives. There is no contractual obligation to achieve these sustainable

development criteria and failure to do so would not constitute a breach of contract. Achievement or not of the criteria has no impact on the Group's ability to use the facility.

Financial covenants

Issues of senior unsecured notes on the US private placement market (USPP) on June 29, 2020 are subject to a financial covenant which states that the Group net debt to Group EBITDA ratio must be 2.5 or less. The covenant is tested every six months and the Group complied with the applicable ratio at December 31, 2024.

The terms "net debt" and "EBITDA" used in the aforementioned covenants are defined as follows:

- net debt: interest-bearing borrowings (excluding borrowings subject to specific conditions) less cash and cash equivalents;
- EBITDA: the sum of profit (loss) from operations and the net charge to depreciation, amortization and provisions for impairment of assets (calculated based on adjusted data).

Management of risks on Power Purchase Agreements

In late 2023, Safran signed a VPPA (Virtual Power Purchase Agreement) for an expected total production of 247 GWh (12-year agreement) in the United States.

5.2 Disputes and litigation

Safran is party to regulatory, legal or arbitration proceedings arising in the ordinary course of its operations. Safran is also party to claims, legal action and regulatory proceedings outside the scope of its ordinary operations.

The amount of the provisions booked is based on the level of risk for each case as assessed by Safran, and largely depends on the assessment of the merits of the claims and opposing arguments. However, it should be noted that the occurrence of events during the proceedings can lead to a reassessment of the risk at any time.

A provision is only booked to cover the expenses that may result from such proceedings when the expenses are probable and their amount can be either quantified or reasonably estimated.

Safran considers that the provisions booked are adequate to cover the risks it incurs.

5.3 Average number of employees

Safran's headcount can be analyzed as follows:

	2023	2024
Engineers and managerial-grade staff	1,702	1,842
Technicians, administrative personnel and supervisors	223	192
TOTAL HEADCOUNT	1,925	2,034

5.4 Management compensation

The Group's key management personnel comprise the members of the Board of Directors including the Chairman, the Chief Executive Officer and the other directors (14 members at end-2024, 14 at end-2023), and any persons discharging managerial responsibilities considered as having the power to take management decisions with regard to Safran's strategy and future development, and/or with regular access to inside information concerning Safran (i.e., four directors at end-2024 and end-2023).

All compensation and benefits awarded to management executives are shown on a gross basis, including the fixed portion of compensation and the provision for the variable portion to be paid in the subsequent year, and can be analyzed as follows:

(in € millions)	2023	2024
Short-term benefits	8.0	8.3
Post-employment benefits ⁽¹⁾	2.1	2.2
Termination benefits	-	-
Other long-term benefits	5.8	2.9
TOTAL	15.9	13.4

(1) Data measured in accordance with CNC Recommendation 2003-R-01 authorizing the application of the corridor method (see Note 2.9) which differs from the measurement method used in the IFRS consolidated financial statements subsequent to the mandatory application of the revised IAS 19 from January 1, 2013 (the corridor method is no longer permitted under IFRS).

The Company's total post-employment commitments in respect of management executives amounted to €6.4 million at December 31, 2024 and €5.7 million at December 31, 2023.

5.5 Statutory Auditors' fees

In accordance with Decree no. 208-1487 of December 30, 2008, fees billed by the Company's Statutory Auditors in 2024 amount to:

- €1,946 thousand for the certification of the financial statements,

- €970 thousand for the certification of the Company's sustainability disclosures,
- and €315 thousand for other services.

5.6 Subsequent events

5.6.1 Treasury shares

On January 9, 2025, Safran entered into an agreement with an investment services provider for a share buyback for cancellation. Under the terms of the agreement, Safran will

buy back up to €350 million worth of its own shares from January 10, 2025 and no later than April 14, 2025. This operation will be carried out in accordance with the share buyback authorization granted on May 23, 2024 by the Annual General Meeting.

3.4 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

Year ended December 31, 2024

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Safran for the year ended December 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2024 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the annual financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

Measurement of equity investments

Note 3.1 to the financial statements

RISK IDENTIFIED

At December 31, 2024, equity investments carried in the balance sheet represented a net amount of €17,670 million, the largest balance sheet item.

Equity investments are carried at cost on initial recognition and may be impaired based on their fair value.

The fair value of equity investments is calculated:

- based on their average stock market price for the month preceding the year-end for listed investments;
- based on their share in net equity, adjusted where appropriate for significant unrealized capital gains net of taxes; or
- based on the intrinsic value of equity, reflecting the present value of the expected future cash flows (enterprise value), less debt where appropriate, for unlisted investments.

We deemed the measurement of equity investments to be a key audit matter due to the significance of management's estimates, especially as regards the likelihood of achieving the forecasts, which is factored into the fair value measurement.

HOW OUR AUDIT ADDRESSED THIS RISK

Our work involved familiarizing ourselves with the measurement approach adopted by management along with any quantitative inputs, as well as the assumptions on which management's estimates were based.

In particular:

- for approaches based on the share in net equity, adjusted where appropriate for significant unrealized capital gains net of taxes, we reconciled the net equity used in the calculation with the net equity recorded in the financial statements of the entities concerned, and analyzed any adjustments made to equity;
- for approaches based on the intrinsic value of equity, we obtained the cash flow forecasts for the investments concerned and assessed their consistency with the business plans drawn up by management and approved by the Board of Directors, reviewed the growth rate used to calculate forecast cash flows, and analyzed the discount rate applied to the estimated future cash flows.

We also reviewed the arithmetic accuracy of any calculations made to determine the fair value of the equity investments.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to shareholders with respect to the financial position and the financial statements

We have No matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to shareholders with respect to the financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in Article D.441-6 of the French Commercial Code.

Information on corporate governance

We attest that the corporate governance section of the Board of Directors' management report sets out the information required by Articles L.225-37-4, L.22-10-10, and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to compensation and benefits paid or awarded to corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements, and, where applicable, with the information obtained by the Company from controlled companies within its scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information given in accordance with the requirements of Article L.22-10-11 of the French Commercial Code relating to those items the Company has deemed liable to have an impact in the event of a takeover bid or exchange offer, we have verified its consistency with the underlying documents that were disclosed to us. Based on this work, we have No matters to report with regard to this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders or holders of the voting rights has been properly disclosed in the management report.

Other verifications and information pursuant to legal and regulatory requirements

Presentation of the financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Safran by the Annual General Meetings held on May 28, 2008 for FORVIS MAZARS and on May 27, 2010 for ERNST & YOUNG et Autres.

At December 31, 2024, FORVIS MAZARS and ERNST & YOUNG et Autres were in the seventeenth and fifteenth consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance relating to the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit. They also:

- identify and assess the risks of material misstatement in the annual financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537-2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Risk Committee.

The Statutory Auditors

Paris-La Défense, March 20, 2025

FORVIS MAZARS

Jérôme de Pastors
Partner

Christophe Berrard
Partner

ERNST & YOUNG et Autres

Philippe Berteaux
Partner

Nicolas Macé
Partner

3.5 OTHER INFORMATION

Supplier and customer payment periods

Pursuant to Article D.441-4 of the French Commercial Code (*Code de commerce*), the table below shows outstanding invoices due and past due at the end of the reporting period:

Article D.441-I.-1: Invoices received but not settled at December 31, 2024						Article D.441-I.-2: Invoices issued but not settled at December 31, 2024						
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	More than 90 days	Total (1 or more days)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	More than 90 days	Total (1 or more days)
(A) BREAKDOWN OF PAST DUE PAYMENTS												
Number of invoices concerned						38	1					174
Total amount of invoices concerned including VAT (€)	803,887,177	(174,565)	66,822	36,108	271,639	200,045	(26,202)	(3,885,419)	1,017,313	1,117,056	4,104,834	2,353,785
% total purchases in 2024 including VAT		(0.02)%	0.01%	0.0%	0.03%	0.02%						
% revenue in 2024 including VAT							(0.01)%	(1.45)%	0.38%	0.42%	1.53%	0.88%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNIZED PAYABLES AND RECEIVABLES												
Number of invoices excluded						104						
Total amount of invoices excluded (€)						5,451,701						
(C) REFERENCE PAYMENT TERMS USED (CONTRACTUAL OR STATUTORY TERMS PURSUANT TO ARTICLE L.441-6 OR L.443-1 OF THE FRENCH COMMERCIAL CODE)												
Reference payment terms used to calculate past due payments	☒ Contractual terms: contractual terms ☐ Statutory terms: (specify)						☒ Contractual terms: contractual terms ☐ Statutory terms: (specify)					

Non-deductible expenses

Non-deductible expenses (Article 223 *quater* and Article 39-4 of the French Tax Code [*Code général des impôts*]) amounted to €0.4 million in 2024 (€0.4 million in 2023) and relate to the non-deductible portion of vehicle lease payments and depreciation.

Dividends

Dividends that have not been claimed within five years are time-barred and paid over to the French State in accordance with the applicable legislation.

Future dividends will depend on Safran's ability to generate profits, its financial position and any other factors deemed relevant by the Company's corporate governance bodies.

The dividend payout ratio is calculated on the basis of adjusted profit for the year excluding any non-recurring items such as goodwill impairment. Safran's dividend payout ratio has historically been around 40%.

For 2024, the payout ratio came to 40% of adjusted profit.

Details of previous dividend payments are included in the proposed appropriation of profit for 2024 (sections 1.7.3 and 7.2.1.2) and the five-year financial summary of the Company below.

Five-year financial summary of the Company

(in €)	2020	2021	2022	2023	2024
Capital at December 31					
Share capital	85,446,831	85,448,488	85,449,194	85,452,108	84,726,517
Number of ordinary shares outstanding	427,235,939	427,242,440	427,245,970	427,260,541	423,632,587
Financial results					
Profit before tax, statutory employee profit-sharing, depreciation, amortization and provisions	1,539,743,815	947,109,173	1,382,965,024	1,433,900,670	1,970,136,299
Income tax expense	(58,580,049)	(47,345,934)	(65,841,779)	(54,815,669)	(95,726,630)
Statutory employee profit-sharing for the fiscal year	-	-	-	-	-
Profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions	1,647,405,156	690,857,268	1,036,303,515	657,785,887	2,891,256,257
Dividend payment	183,711,454	213,621,220	576,782,059	939,973,190	1,228,534,502
Per share data					
Profit after tax, statutory employee profit-sharing, but before depreciation, amortization and provisions					
■ per ordinary share outstanding	3.74	2.33	3.39	3.48	4.87
Profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions					
■ per ordinary share outstanding	3.86	1.62	2.43	1.54	6.82
Net dividend					
■ per ordinary share outstanding	0.43	0.50	1.35	2.20	2.90 ⁽¹⁾
Employees					
Average number of employees during the fiscal year	1,785	1,689	1,820	1,925	2,034
Total payroll	139,299,866	146,032,966	160,478,281	177,104,444	193,549,276
Social security and other social welfare contributions	75,980,598 ⁽²⁾	77,113,451 ⁽³⁾	110,805,477 ⁽⁴⁾	139,899,872 ⁽⁵⁾	151,577,917 ⁽⁶⁾

Subject to shareholder approval at the Annual General Meeting of May 22, 2025.

(1) Including €5.3 million in contributions paid to the insurer that manages the defined benefit pension plan.

(2) Including €1.1 million in contributions paid to the insurer that manages the defined benefit pension plan.

(3) Including €5.0 million in contributions paid to the insurer that manages the defined benefit pension plan.

(4) Including €3.6 million in contributions paid to the insurer that manages the defined benefit pension plan.

(5) Including €1.8 million in contributions paid to the insurer that manages the defined benefit pension plan.



4

RISK FACTORS

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4.1	RISK MANAGEMENT	298	4.3	RISK FACTORS	303
4.1.1	Methodology	298	4.3.1	Risks relating to Safran's operations	305
4.1.2	Organization	299	4.3.2	Risks relating to the environment in which Safran operates	310
4.1.3	Risk management bodies	299	4.3.3	Risks relating to Safran's strategic development	317
4.2	INTERNAL CONTROL SYSTEM	301	4.4	INSURANCE	320
4.2.1	Internal control objectives	301			
4.2.2	Organization	302			
4.2.3	Internal control bodies	303			

4.1 RISK MANAGEMENT

The diversity of the Group's businesses and its many sites across the globe expose Safran to risks that can have a material impact on its strategic objectives, with knock-on effects on its earnings, image and share price. These risks are managed and incorporated upstream into the decision-making process via the Group Enterprise Risk Management (ERM) set-up.

4.1.1 Methodology

The safety of aerospace operations that involve Safran's products and services is the key overriding imperative for the Group, as it is for any player operating in the industry. From a historical perspective, it is this imperative that has driven the development of Safran's Enterprise Risk Management (ERM) set-up. This risk management culture is now firmly embedded throughout the Company's processes and is shared by all teams, at all levels of the Group. It contributes upstream to decision-making processes and especially management of the programs in which the Group has a long-term involvement, which are generally based on long cycles involving major research efforts, costly development and related capital expenditure, with useful lives of up to 40 years and profitability measured in the medium or long term. The Group's ERM set-up makes it possible to systematically handle all of the operational and strategic challenges the Group faces in all of its businesses and at all of its sites across the globe. Its robust and highly-demanding system has become one of the Group's performance drivers and helps to clarify strategic choices.

The system is now sufficiently mature to identify the Group's major risk exposures, quantify their impact on the achievement of all the Company's objectives and ensure that adequate measures are implemented to bring the Group's exposure down to an acceptable level. While retaining its own qualities and methodology, Safran's ERM also enables consistency checks to be performed with all the Group's sustainability information presented in chapter 5 below.

Moreover, the principles of the Group's ERM policy are consistent with the recommendations of the French financial markets authority (*Autorité des marchés financiers* – AMF), the provisions of the AFEP-MEDEF Corporate Governance Code and professional standards (COSO ERM), which have been transposed into exhaustive and adapted guidelines that cover all the Group's businesses.

Safran's ERM set-up is deployed across the Group, at all levels of the organization and in accordance with the related governance rules. It covers all tier-one entities (see the definition in section 1.1.2) and corporate departments, and is then consolidated at Group level. The risk management policy is embedded in all of Safran's organizational processes and is the responsibility of all stakeholders.

Each risk factor identified is analyzed and forms the basis for various risk scenarios that are ranked and managed within the scope of customized action plans along three axes: impact, probability of occurrence and level of control.

Safran's internal control system (see section 4.2) rounds out this approach. It is designed to provide reasonable assurance that the Group's business sectors comply with the applicable requirements and that risks are adequately managed.

The impact and probability of each risk are assessed in terms of their direct and indirect potential impact on the Group's businesses based on the most realistic, worst-case scenario allocated to the risk. The level of control, essential in characterizing the risk and how it should be managed, is then determined. Risk management processes are based on plans that are designed to:

- (i) control risks, by either mitigating or eradicating them;
- (ii) introduce additional controls; or
- (iii) seek ways of transferring all or part of the financial consequences or the Group's liability through regularly updated insurance cover.

Residual risks, i.e., risks that remain after the associated action plans have been implemented, as estimated by Safran at the end of 2024, are presented in this chapter in order of importance (critical, significant or low). Each of these categories reflects a combination of the measurements of impact, probability of occurrence and level of control, as explained above.

An owner is designated for each risk identified and is responsible for drafting action plans and ensuring their implementation. The objective is to provide continuous risk oversight to ensure optimum treatment – in other words, moving the risk towards its assigned target.

The entire risk management approach is periodically reviewed and events that occurred within the Group over a given period are systematically compared with analyses and risk maps for the same period. This back-testing enables Safran to ensure that risks have been identified, assessed and managed as part of a continuous improvement process.

Lastly, the ERM set-up also has a prevention and crisis management component that enables the Group to anticipate and handle any "abnormal" situation affecting one or a number of its business oversight parameters. Regardless of the component affected, it seeks to provide the Group with the means for reacting in a pragmatic way by delivering the solutions needed to deal with the crisis. Such crises may range from serious accidents to people of technical, human or natural origin, to a global pandemic like Covid-19 in 2020 and 2021 that severely disrupted air traffic for a prolonged period, or to a breakdown in industrial facilities that jeopardizes Safran's capacity to honor certain commitments to customers and partners. As such, business contingency planning is an integral part of crisis management.

4.1.2 Organization

The Risk and Insurance Department reports to the Group Chief Financial Officer, who is a member of the Executive Committee. It comprises a Risk and Insurance Department director, Corporate Risk Managers and insurance experts, and is responsible for implementing the Group's ERM set-up. It develops and provides Group risk management with the methodological techniques and processes to identify risks and, using appropriate scales, estimate their impact and probability of occurrence together with the level of control exercised over them.

The Risk and Insurance Department ensures that processes are effectively deployed and sets maturity objectives for risk managers in tier-one entities.

The Risk and Insurance Department also coordinates the tier-one entity risk manager network. Each tier-one entity has a risk manager who consolidates a risk map and organizes for it to be reviewed by their risk committee.

Risk managers of tier-one entities liaise constantly with the Risk and Insurance Department, to which they submit a series of half-yearly indicators (major risk mapping with the corresponding level of control, and degree of maturity). Once a year, the risk managers also submit a report on the organization and maturity of the ERM system within their respective operational scopes. The Risk and Insurance Department meets regularly with the risk manager of each tier-one entity. It also organizes monthly meetings that allow everyone to share information and other best practices and to discuss their work and indicators. Task forces are set up on the basis of needs and priorities approved by the Group Risk Committee.

Tier-one entity risk managers are tasked with deploying the ERM set-up throughout their operational scope, i.e., throughout tier-one entities, as well as in their subsidiaries and investments. They appoint a network of risk representatives as appropriate to ensure coverage of the entire scope of their operations.

Each of Safran's central corporate departments also prepares a map of the main risks in their scope. They all have a risk representative who ensures that the appropriate risk management approach is respected and who verifies the consistency of the department's risk mapping and the associated action plans with those submitted by the corresponding corporate departments within the tier-one entities falling under their responsibility. The Risk and Insurance Department is also directly involved in this work by performing half-yearly reviews.

Lastly, the Risk and Insurance Department consolidates a comprehensive map of the Group's major risks and the associated action plans based on detailed analyses, action plans and maps of the major risks of tier-one entities, together with the analyses, risk maps and associated action plans submitted by the risk representatives of the central corporate departments.

The Group's risk mapping therefore guarantees the overall consistency of risk assessments and the associated action plans together with the level of control exercised over them.

4.1.3 Risk management bodies

The following bodies coordinate the ERM system:

- the risk committees of tier-one entities;
- the Group Risk Committee.

Risk committees of tier-one entities

Each tier-one entity has a risk committee which meets at least twice a year. It comprises the entity's legal representative, who acts as the chair, the directors of the central corporate departments and the entity's risk manager, who leads the committee's work. The Group Risk and Insurance Director is invited to this committee and takes part in the discussions.

Group Risk Committee

The Group Risk Committee is composed of the Chief Executive Officer, who acts as the chair, and the Group directors of the central corporate departments, and is led by the Group Risk and Insurance Director.

Twice a year, the Committee reviews risk identification, assessment and treatment, and therefore the control of major risks to which the Group is exposed.

The system is reviewed by the Board of Directors' Audit and Risk Committee.

Internal procedures require regular meetings (at least every six months) of each of these committees.

Tier-one entity risk committees are responsible for:

- rolling out the Group's risk management policy within their operational scope;
- validating risk identification and mapping for their reporting scope as well as the corresponding control measures;
- providing reasonable assurance of the maturity and effectiveness of the ERM set-up for their reporting scope;
- validating the crisis prevention, crisis alert and crisis management system for their reporting scope.

More specifically, its duties include:

- approving Group risk management policy;
- validating risk identification and consolidated Group risk mapping and the corresponding control measures;
- providing reasonable assurance of the risk management process' maturity and effectiveness;
- validating the Group crisis prevention, crisis alert and crisis management system.

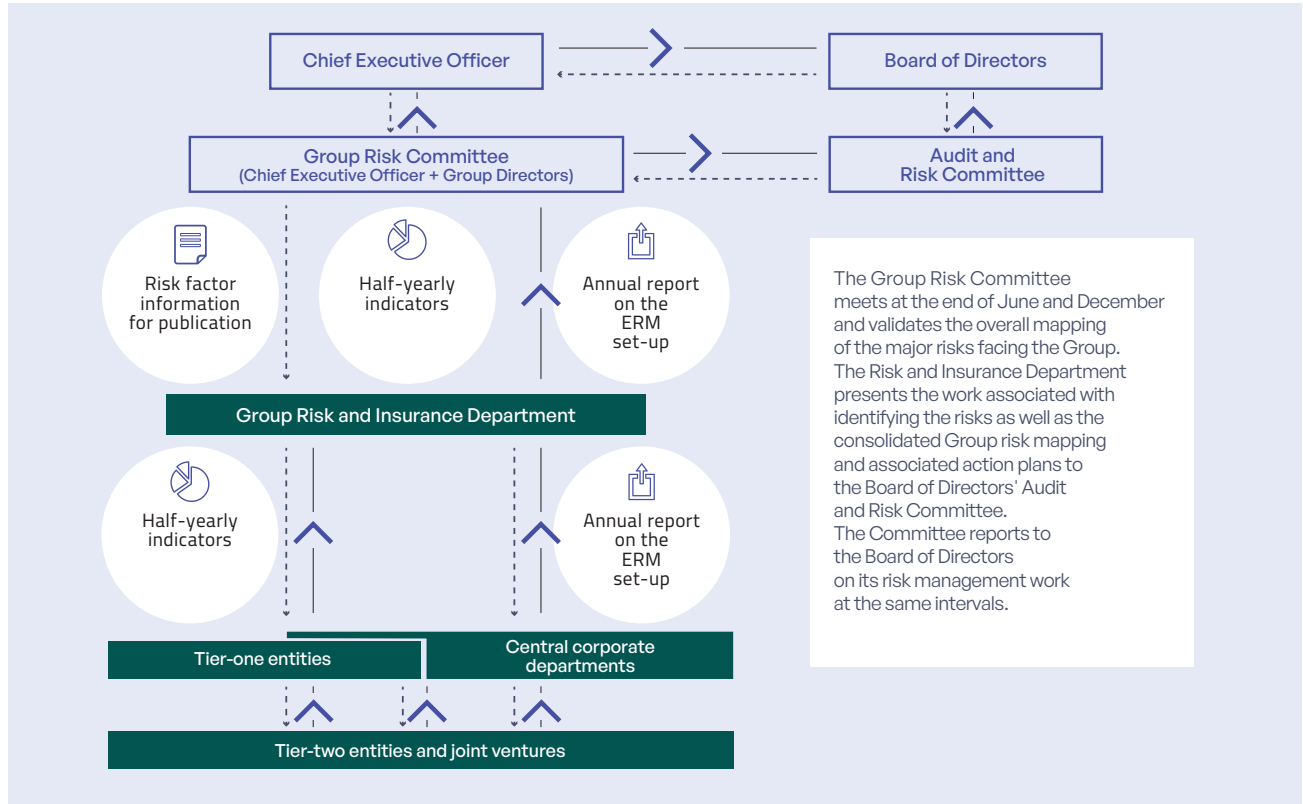
Board of Directors' Audit and Risk Committee

In terms of risk management, the Board of Directors' Audit and Risk Committee reviews the risk mapping and the work related to the main risks faced by the Group, together with any developments and action plans, as presented to it twice a year by the Group Risk and Insurance Director.

The Committee reports to the Board of Directors on the effectiveness of its risk management work at the same intervals.

The membership structure and duties of this Committee are set out in section 5.1.1.2 of this Universal Registration Document.

The organization of the various risk management bodies described above can be summarized in a flow chart, as follows:



4.2 INTERNAL CONTROL SYSTEM

4.2.1 Internal control objectives

Safran implements its internal control system on the basis of the general principles advocated by the AMF. Internal control is defined as a process implemented by the Board of Directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- compliance with laws and regulations;
- application of instructions and strategies set by Executive Management;

- proper functioning of Safran's internal processes, particularly those contributing to the protection of its assets;
- reliability of financial information.

Internal control thus contributes to the safeguarding of the Company's assets, the management of its activities, the effectiveness of its operations, the efficient use of its resources and the prevention of any organizational dysfunctions. Nevertheless, as with all control systems, it can only provide reasonable assurance that the objectives described above will be achieved.

Methodology

The Audit and Internal Control Department has defined an internal control framework structured around 13 areas called internal control cycles:

- one cycle relating to the control environment;
- ten operating cycles;
- two IT cycles (general IT and IT system security controls),

plus cycles adapted to Shared Services Centers' risks.

For each cycle, the Audit and Internal Control Department and Group specialists in each of these areas have drawn up a list of control points and tests aimed at measuring for each entity:

- the conformity of its internal control procedures and control activities with the framework's requirements; and
- the operational effectiveness of these procedures and activities.

Around 200 control points have been defined, which serve to ensure the integrity of financial and accounting information. Every year, internal control tests are performed, based on objectives related to scope, content and the timeframes for carrying out action plans.

The internal control framework is reviewed every year to reflect risk and any organizational changes identified. This review also factors in recommendations made in the course of internal audits or by the Statutory Auditors together with proposals submitted by the heads of internal control networks, the central corporate departments and persons responsible for the process.

Appraisal principle

The Group has upheld the principle whereby each entity appraises its own internal control arrangements in relation to the framework (conformity and effectiveness). A test program (effectiveness) is devised annually; it investigates all of the cycles over two years in tier-one entities and over three years for their subsidiaries. A set of rules and guidelines with around 50 control points – formally tested annually – applies for small entities.

This annual assessment process is rounded out with ongoing controls, which are currently being deployed throughout the Group. Throughout the year, these controls process a full range of data concerning specific points, thereby significantly enhancing internal control.

Each year, the Group's audit plan includes internal audits aimed at verifying that the assessments carried out by the subsidiaries comply with the rules and principles that it has put in place.

Any disparity relative to the requirements of the internal control framework in the assessment of the conformity and effectiveness of procedures generates an action plan, with a project leader designated and a deadline established, and may also be incorporated into the risk map of the entity concerned. The progress of such action plans is monitored on a monthly basis.

Scope

In 2024, the internal control system had been rolled out in 185 companies, representing 99.9% of the Group's consolidated revenue.

Internal control quality assurance

Every year, executives of tier-one entities send a representation letter to Safran's Chief Executive Officer on the internal control system put in place in their entity and their subsidiaries, in which they set out the work carried out during the year in the internal control domain and commit to a progress plan for the upcoming year.

Also every year, the Statutory Auditors examine the adequacy of the internal control procedures related to a selection of cycles that contribute to the preparation of financial and accounting information.

As part of the audits they perform, the internal auditors (i) assess the adequacy and appropriateness of the internal control procedures within the audit scope, (ii) verify that the relevant processes have been properly applied, and (iii) check the accuracy and reliability of the related test results.

Awareness-raising and training

Safran University (see section 5.4.1.5) has developed a training course on internal control (classroom-based and e-learning) with a view to raising awareness of internal control issues among both finance and operations staff.

4.2.2 Organization

Duties of the Audit and Internal Control Department

The Audit and Internal Control Department, which reports to the Group Corporate Secretary, a member of the Executive Committee and Chair of the Compliance, Ethics and Anti-Fraud Committee, contributes to the management of the Group's activities, the effectiveness of its operations, the efficient use of its resources and the appropriate consideration of material risks. Its main responsibilities are to:

- define and implement the annual audit plan;
- define, organize and coordinate the internal control system.

Taken together, these responsibilities aim at ensuring compliance with applicable laws and regulations, the application of instructions and strategies set by Executive Management, and the proper functioning of internal processes, particularly those contributing to the safeguarding of the Group's assets and the reliability of financial information.

Internal Audit

The internal audit plan takes into account the Group's risk map. It is drawn up on an annual basis and revised whenever necessary. Internal auditors from the Audit and Internal Control Department conduct work aimed at identifying ways to improve the efficiency of the Group and of its entities, programs, projects and processes, by addressing four types of major risks: strategic, financial, non-compliance and operational.

The Internal Audit function therefore contributes to:

- identifying, assessing and dealing with risks, via analyses and observations made in relation to the audited entities, as well as the ensuing recommendations issued and the follow-up of action plans;

- continuously improving the internal control system, thanks to internal control compliance audits aimed at ensuring that the organizational structures and procedures in place are adequate and efficient;
- continuously assessing that compliance rules are respected by carrying out audits on the management, compliance and performance of subsidiaries and other entities included in the yearly audit plan.

The Audit and Internal Control Department also has an IT unit tasked with ensuring that IT Basics are correctly applied. These Basics are set out in specific IT audit guidelines that include Minimum Security Rules drafted by the Group Digital and Information Systems Department.

The Group's Internal Audit function has been certified compliant with the international standards of the Institute of Internal Auditors.

Internal Control

The central team that manages the internal control system is assisted by a network of internal control managers in each tier-one entity, with those managers supported by representatives within their operational scope.

At least once a year, the central team brings together internal control managers to conduct a review of obstacles encountered, suggest enhancements to the framework and define areas in which progress can still be made. These meetings also serve as a forum for sharing best practices about monitoring internal control.

The main areas for progress identified by Safran for 2024 fed into the continuous improvement of the internal control system, including ensuring that processes are adequate and part of operational managers' best practices. Controls focusing on anticorruption, duty of care and personal data protection have

been created or stepped up as part of the guidelines applicable as from 2022. The continuous improvement process includes the continued deployment of a project designed to round out the annual assessment process with ongoing controls that use operational indicators to process a full range of selected data throughout the year.

Group companies use the same reporting system for the results and conclusions of their internal control appraisals. Some 400 stakeholders contribute to this system, which allows:

- direct access to the Group framework, methodology and practical operating procedures;
- monitoring of rectifications of disparities identified in relation to the framework.

Other key players in the internal control system

Group Finance Department

The Group Finance Department centralizes and coordinates financing, treasury, taxation, the budget process, reporting, accounts consolidation and risk management. It ensures compliance with the internal control procedures falling within the scope of its responsibilities.

Group Corporate Office

The Group Corporate Office helps to secure the Group's governance, particularly with regard to its commitments as well as litigation, arbitration, studies and actions to protect the criminal liability of Safran and its executives, embargoes, company law, financial and stock market regulations, intellectual property law, competition and regulatory law, and financial law. To this end, the Group Corporate Office comprises the Legal Department, the Ethics and Compliance Department, the Customs and Export Control Department, the Audit and Internal Control Department and the Safety Department.

Operational departments

Each operational department is responsible for ensuring that its activities are carried out in compliance with the applicable laws, regulations and procedures. The purpose of the internal control framework is to check compliance with a number of control points using a risk-based approach.

Statutory Auditors

As part of the audit and certification of Safran's financial statements, the Statutory Auditors examine the procedures of a certain number of Safran's processes that contribute to the preparation of financial and accounting information. In particular, they base the work they conduct at selected entities on the Group's internal control framework.

They present their findings to the Audit and Risk Committee.

The Statutory Auditors carry out the following as part of their work in this domain:

- review of documentation on controls carried out by companies;
- tests to verify the operational effectiveness of the procedures implemented;
- review of completed action plans;
- review of results of tests performed by the entities.

4.2.3 Internal control bodies

The internal control system is overseen by the following bodies:

Board of Directors

The Board of Directors defines the primary features of the internal control system, based on the opinions and recommendations of the Audit and Risk Committee.

Board of Directors' Audit and Risk Committee

The membership structure and duties of this Committee are set out in section 6.3.6.1 of this Universal Registration Document.

In terms of internal control, the Committee reviews the following:

- the findings of audits and other work related to internal control procedures presented by the Audit and Internal Control Department;

- the results of the work carried out by the Statutory Auditors, whose independence it also verifies.

The Group's Internal Control Guidelines are approved by the Chairman of the Audit and Risk Committee.

Internal control committees

Each tier-one entity has an internal control committee for all of the companies within its operational scope, as does each French and international Shared Services Center. These committees track the progress and conclusions of internal control appraisals. The Audit and Internal Control Department systematically participates in all meetings of these committees.

The executives of the tier-one entities assume full responsibility for the internal control systems implemented within their operational scope; the system implemented must comply with the internal control principles determined by the Group.

4.3 RISK FACTORS

In accordance with European Regulation (EU) No. 2017/1129 of June 14, 2017 (Prospectus Regulation) and the ESMA Guidelines of October 2019 (ESMA 31-62-1293 FR), this chapter presents the main financial and non-financial risks considered to be specific to Safran and/or its securities at the date this Universal Registration Document was filed and which Safran believes could have a material net impact on the Group, its business, its financial position, its earnings and/or its outlook. For certain risks, readers may be referred to specific chapters or sections of this Universal Registration Document, in which the risks are discussed in further detail. In any case, other risks that Safran

does not consider to be specific to its activities could also have an unfavorable impact on the Group or its business, financial position, earnings and/or outlook.

In 2024, the risk committees of the tier-one entities met in April and May for the first half of the year, and in September and October for the second half. The Group Risk Committee met on July 11 and November 26, and the Group Risk and Insurance Director reported to the Board of Directors' Audit and Risk Committee on the Committee's work on July 29 and December 17, 2024 respectively.

The main changes identified during 2024 reflect, above all, the difficulties that continue to weigh on the Group's supply chain (section 4.3.2.1), the Group's increased sensitivity to issues relating to certain substances (section 4.3.1.5) and the challenges of successfully completing the strategic repositioning in the face of ongoing geopolitical tensions (section 4.4.2.2). Back-testing of the main risks over the same period confirmed the multiple difficulties facing the supply chain, as well as the geostrategic tensions and other major systemic risks to which the Group is exposed, such as climate change (section 4.3.2.4) and cyber threats (section 4.3.3.2). These changes, which may have affected the parameters used to rate the above-mentioned risks, their names or the plans for their management, have not resulted in any change in their positioning in the Group's risk map.

Other risks that the Group is not aware of at the date this Universal Registration Document was published, or risks presented in other sections of the Universal Registration Document whose occurrence is not considered, at this date, as likely to have a material adverse impact on Safran, its business, its financial position, its earnings and/or its outlook, may exist or arise.

The risks identified as material for Safran are grouped into a limited number of three categories by their nature and criticality. They are presented here in descending order of importance (critical, significant or low), as explained in section 4.1.1. Safran carries out its business in a fast-changing environment that exposes it to risks and uncertainties in addition to those associated with its activities and strategic focuses. Criticality of risks is assessed in terms of probability of occurrence and potential impact, i.e., the estimated magnitude of the impact of the risk on the Group, its business, its financial position, its earnings and its outlook, after taking into account mitigation measures. The features of the main action plans deployed that underpin the management of these risks are also disclosed. Safran's assessment of this order of importance may change at any time, in particular due to external developments, changes in Safran's activities or changes in the impact of control and mitigation measures.

The information set out below is based on assumptions and forecasts that may prove inaccurate owing to their very nature.

Safran's operating activities generate risks that are specific to the Group:

- aviation safety risks;
- program profitability risks;
- partners and investments risks;
- supplier and subcontractor risks;
- risks related to the use of substances;
- risk of dependence on government procurement contracts.

In view of the environment in which it operates, the Group is exposed to the following risks:

- supply-chain difficulties;
- risks related to geopolitical tensions;
- competitive risks and cycle effects;
- environmental and climate change transition risks;
- legal and regulatory risks;
- financial market risks.

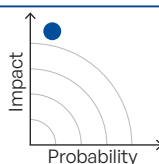
Lastly, Safran's strategic development involves risks that are specific to the Group:

- risks relating to technological innovation and the decarbonization of aeronautics;
- risks relating to digitalization;
- human resources risks.

4.3.1 Risks relating to Safran's operations

4.3.1.1 Aviation safety risks

Importance: **critical**



Risk identification and description

Safran's products mainly equip civil and military airplanes and helicopters. Safran may be held liable, for example, for the malfunction, loss or accident of an aircraft, the injury or death of passengers, or the loss of operating capability by an airline or helicopter operator.

Safran may also be indirectly exposed as a result of third-party fraud affecting the quality of the materials or components included in its products or involving documents that accompany parts delivered to a Safran or third-party MRO (maintenance, repair and overhaul) facility for servicing Group products.

Risk mitigation

The regulations governing Safran's activities stipulate the quality, reliability and safety standards that apply for civil aviation flights and the related products and services. These rules apply throughout the life of the aircraft for its design, manufacture, operation, airworthiness and maintenance. All aircraft components must be designed, manufactured and maintained or repaired in a suitable and controlled environment, using approved data, carefully calibrated tools and trained operators. The entire process must be certified by accredited personnel and traceability must be clearly documented and recorded.

Safran strictly complies with these requirements issued by the International Civil Aviation Organization (ICAO) and transposed into European regulations by the European Aviation Safety Agency (EASA), which delivers Design (Part 21J), Production (Part 21F or G) and Maintenance (Part 145) Organization Approvals, as well as in the EASA's Part IS Cyber-resilient Aviation Systems regulation. The EASA oversees the work of national organizations like the French Directorate General for Civil Aviation (DGAC). Similar rules and approvals are applied by other authorities such as the Federal Aviation Administration (FAA) in the United States, the Civil Aviation Administration in the People's Republic of China (CAAC) and the Civil Aviation Authority (CAA) for the United Kingdom. Bilateral agreements exist between the different authorities to coordinate their efforts.

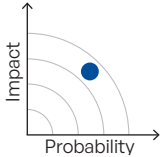
To comply with these requirements, Safran deploys a Safety Management System (SMS) that meets the international standard published on October 3, 2018 by the Aerospace, Security and Defence Industries Association of Europe (ASD), based on four key principles:

- safety policy and objectives: commitment by Executive Management of the tier-one entity concerned;
- management of flight safety risks at different levels: engineering, program, quality and flight safety;
- incident reporting/monitoring: detection (including alerts), analysis and processing of all airworthiness events (tracking suppliers, reporting abnormal employee behavior, reporting shopfloor incidents, analyzing the related feedback) and creation of a Group airworthiness committee in 2018, structured around the airworthiness teams in the entities concerned; and
- deployment/promotion of the Safety Management System: promotion of the system, sharing of information (mandatory training for all employees, training in "Human Factors" for all personnel who may be exposed, personnel clearance by the aviation authorities, regular distribution of information and feedback).

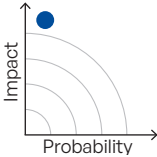
Safran also works with agencies responsible for issuing airworthiness certificates to promote the use of blockchain-based anti-counterfeit systems for documents, and is opening up its information systems to airline operators for data verification.

This policy is enshrined in a charter detailing Safran's commitments in this area. It may be consulted on Safran's website at <https://www.safran-group.com/download/media/2178>

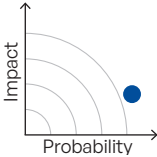
4.3.1.2 Program profitability risks

Importance: critical	
Risk identification and description	Risk mitigation
Safran's airframer customers may encounter program scheduling difficulties. Delays in production or certification schedules for new aircraft may lead to the postponement of deliveries and/or planning difficulties, including for Safran equipment and services, and therefore impact the Group's earnings. In this respect, Safran may be affected by the difficulties faced by aircraft manufacturers, such as those currently experienced by Boeing. In certain cases, delays specific to Safran's developments and operations may also occur, for example due to the persistent disruption and severe tensions affecting its supply chain, leading to the payment of damages to affected stakeholders if the Group is held to be liable. Delays could also lead to Safran collecting cash later than forecast, thereby impacting the Group's cash and potentially its profitability. This could force Safran to write off assets. Quality failures or shortcomings in Safran's equipment, systems or technology could also result in liability and costly claims for damages from customers, partners or third parties (excess stock, product recalls, upgrade campaigns or retrofits), lost revenue or a loss of its commercial standing. Safran's image may also be affected. In addition, the market and profitability assumptions used by Safran, which are regularly reviewed, may not materialize, and the Group's products that benefited from significant investments may not all be sufficiently commercially successful to enable the investments to be recovered. This could be the case, in particular, if the products are affected by teething and quality defects leading to certification delays, to the immobilization of part or all of the in-service or retrofit fleets, or to lower-than-expected demand or discontinuation of a program. Significant additional investments may appear to be justified to finance a temporary increase in demand, however profitability may ultimately prove to be insufficient. In the space industry, the ArianeGroup joint venture (see section 4.3.1.3) exposes Safran to possible delays in the industrialization and production of the Ariane 6 program or to a potential failure to provide adequate solutions to current challenges in the civil space launcher market, in so far as the market is seeing fierce competition, persistently lower prices and a profound change in satellite operator requirements.	Within the Group, robust processes and high-level oversight of certain key aspects (such as industrial production rates) are designed to ensure strict and effective program oversight and a smooth transition between different programs. Investment and procurement decisions are also coordinated at Group level, based on guidelines and numerous, specific criteria which are audited on a regular basis. The Group systematically conducts technical audits targeting in particular risks arising on the development and technological maturity of its products. Specific action plans help to mature program management. The "One Safran" quality management system (see section 5.1.3.3.1) provides project teams with a framework known as "PROMPT" as well as methods and applications for enhancing program management processes. In the area of quality, the Group has deployed systematic targeted audits and a single quality audit tool, as indicated in section 5.1.3.3.1. Dedicated progress plans, which include the Quick Response Quality Control (QRQC) method, allow any quality issues to be dealt with swiftly, close to source, and the appropriate remedies to be applied. These plans have been strengthened in light of the recent crises and ongoing geopolitical tensions shaping the environment in which the Group operates, even though they are unable to offset all economic uncertainties. The effectiveness of this state-of-the-art system and the related action plans have made it possible for Safran to obtain airworthiness and certification agreements (or renew such agreements), including in particular EN 9100-certification for the tier-one entities concerned (see section 5.1.3.3.1), while constantly reducing the number of possible incidents in a context of continued growth in air traffic. In the space industry, with the Ariane 6 launcher having now taken over from the Ariane 5, ArianeGroup is taking steps to transform its industrial design, ramp up developments and, most importantly, deploy proactive solutions in the quest for competitiveness and renegotiate certain contractual commitments.

4.3.1.3 Partners and investments risks

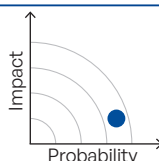
Importance: critical	
Risk identification and description	Risk mitigation
Safran is involved in several major strategic partnerships. If one or more of these partnerships were not to be renewed or the partner were to pursue different strategic goals (for example, if the partner showed less strategic interest in its partnership with Safran and wanted to withdraw from it), Safran's business could be affected. For example, a substantial proportion of Safran's revenue is derived from certain civil aircraft engine programs developed, produced and marketed in cooperation with CFM International, the 50/50 joint venture between Safran and GE Aerospace. Similarly, a joint venture was set up in 2006 with Albany International Corp. to develop high-tech composite parts for aircraft engines, landing gear and nacelles. Safran is also involved in several other strategic partnerships (see section 1.2), notably with: Airbus (ArianeGroup) for space launchers, Air France Industries KLM Engineering & Maintenance (Airfoils Advanced Solutions) for repairs to high-pressure compressor blades and variable stator vanes, Boeing (MATIS Aerospace "Morocco Aero-Technical Interconnect Systems") for the manufacture of electrical harnesses and interconnection of electrical networks, China Eastern (Xi'an CEA Safran Landing Systems Services Co Ltd) for landing gear maintenance and repair, Middle River Aerostructure Systems (Nexelle) for nacelle design, production and maintenance, MTU (Aerospace Embedded Solutions) for critical software and infrastructure for military and civil applications, Rolls-Royce (Aero Gearbox International) for power transmission systems for all Rolls-Royce civil aircraft engines, Thales (Lynred and Optrolead) for infrared detection and marketing optronics systems. Lastly, Safran is exposed to a governance risk due in particular to the nature of its businesses, and the number and remoteness of its sites and investments in more than 27 countries in 2024.	The partnerships in which Safran is involved are set up in full compliance with international, supranational and national treaties, laws and regulations, including sanctions, embargoes and the anti-trust laws applicable in all markets and countries in which they operate. These partnership agreements include safeguards based on best practice. The partnership with CFM, formed in 1974, has been extended until 2050 and includes the sale of engines and operational engine maintenance services. The partnership formed with Albany International Corp. in 2006 has been extended through 2046. It aims to produce the next generation of engines and thereby help the aviation industry achieve its goal of net zero CO₂ emissions by 2050. The Group's governance rules for subsidiaries and investments are regularly updated, systematically communicated to key players and strictly applied. Specific appointment procedures are in place for corporate officers of Group entities or officers representing the Group, and dedicated training and awareness-raising initiatives are designed for these officers. However, despite the protective legal measures in place, a residual intrinsic risk remains if there were a major change in a partner's structure or strategy.

4.3.1.4 Supplier and subcontractor risks

Importance: critical	
Risk identification and description	Risk mitigation
In 2024, Safran purchased goods and services (production and other) worth €16 billion, equivalent to around 58% of its revenue. The Group's suppliers and subcontractors are facing numerous difficulties and business failure risks. As a result, they may be faced with both financial and capacity problems. Current geopolitical tensions may exacerbate these difficulties by affecting the availability of products or materials, as well as the logistics and transportation flows required for their use. For Safran, this could lead to tensions over the availability and continuity of supply of certain raw materials, alloys such as titanium, composite fibers and resins, forged parts and electronic components (see section 4.3.2.2), particularly from Asia. In addition, some suppliers and subcontractors are still imposing significant price increases, sometimes going so far as to override the contractual price adjustment mechanisms. Finally, amid these tensions, Safran is exposed to the risk of fraud by its suppliers and subcontractors, particularly in terms of the quality of purchased materials and products. These difficulties could have an impact on all Safran's businesses, and even those of its customers, resulting in delays and additional costs for the Group.	It has taken various steps to manage these risks. For example, the robustness and capacity of suppliers and subcontractors to continue doing business in crisis situations are key criteria in Safran's selection process. Moreover, the Group's Industrial, Purchasing and Performance Department conducts a monthly review of potentially problematic suppliers and subcontractors with a designated manager and associated action plans, such as the triggering of a step-up in audits. Safran supports the AeroExcellence initiative, initially rolled out within GIFAS and now being extended internationally, which also supports the Group's suppliers and subcontractors in their own risk analyses and management. For non-production purchases, Safran has put in place a central purchasing strategy (see section 5.1.4.2) in the form of pooled facilities at a Shared Services Center in line with the Group's objectives of excellence, competitiveness and sustainability. Safran has also deployed a responsible purchasing policy and duty of care plan (see section 5.1.4.2). Since the economic crisis triggered by the Covid-19 pandemic, Safran has stepped up its efforts using the programs described below (see section 4.3.2.1) and has created an additional "Watch Tower" process for identifying and supporting the Group's five to ten critical suppliers and subcontractors. Given the planned increase in production over the next few years and to protect its LEAP program and supply chain in particular, Safran has built up buffer stocks of specific components and set up a multiple-source supply approach organized around the related criticality, notably sourcing new suppliers. Safran also carries out vertical consolidation transactions, such as the acquisition on April 28, 2023 of Aubert & Duval, a subsidiary of the mining and metallurgy group Eramet, through a holding company owned in equal proportions by Airbus, Safran and Tikehau Ace Capital, or its participation in support funds for aerospace suppliers and subcontractors (see section 3.1, Note 8.3.1). The aim of these transactions is notably to provide a measure of protection against the disruption of certain supplies and a response to sovereignty issues.

4.3.1.5 Substance use risks

Importance: **critical**



Risk identification and description

This risk family encompasses all substances and their possible obsolescence, which may affect many Safran processes and the life cycle of some of its products, by slowing their development, production and maintenance and potentially causing their withdrawal from the market. Safran uses certain substances on its sites, in its industrial processes and in the manufacture of its products, which may give rise to toxicity and pollution risks.

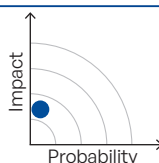
This is the case, for example, of Chromium VI, which is subject to European REACH regulations, as well as other perfluoroalkyl and polyfluoroalkyl substances, better known as PFAS ("per-and polyfluoroalkyl substances" or eternal pollutants). Some of the regulations that will apply to these substances are still being drawn up or are evolving, and their application dates are not always known. These challenges could expose Safran to liability claims from its customers and other stakeholders, possibly including its employees.

Risk mitigation

Under the centralized supervision of the Group Materials and Processes Department, a precise and exhaustive inventory has been drawn up of the substances Safran uses in its activities, the regulations that apply or are expected to apply to them, and their possible obsolescence. A substitution strategy is being pursued to cope with unexpected supply interruptions, with some action plans yet to be completed, particularly for substances for which the regulations are still being developed. The action plans include regular monitoring of substitution and obsolescence stages (technical, qualification, design of future changes, industrialization), identification of synergies and shared difficulties among Group subsidiaries and departments, collaboration with the relevant institutions and authorities, such as the ASD (representing the Aerospace, Security and Defense industries) and the Aerospace and Defense Chromates Reauthorization Consortium (ADCR) and through professional organizations such as France's aerospace industry body (GIFAS), the European Commission, EU member states, the certification authorities and suppliers. The action plans addressing employee exposure to the substances and future regulatory responses aim to measure and explain the health issues involved in employee exposure, so that precautions are aligned with the level of danger (on-site discharge measurement, comparisons with HBM4EU and ActiviPoll reference bases), the size of the exposed areas, and the prevention and substitution measures in place. Finally, dedicated use-case working groups help to calibrate the necessary resources and define the challenges, roles and responsibilities of each key player within the Group, with the overriding objective of securing business continuity.

4.3.1.6 Risk of dependence on government procurement contracts

Importance: **low**



Risk identification and description

Safran conducts part of its business with governments, especially in military markets in Europe, North America, Asia and the Middle East. Government spending in these markets is subject to trade-offs that are sensitive to the geopolitical environment and to budget capacity. This changing environment can not only lead to delays in orders placed or curtailments, postponements or cancellations in the fulfillment of such orders and the related financing, but also to delays or a deterioration in advance payment plans. This could affect Safran's businesses or financial position.

Risk mitigation

Safran's strategy is to define and adjust the balance between its civil and military activities. In 2024, military businesses accounted for approximately 18% of the Group's adjusted consolidated revenue.

The broad geographic footprint of the Group's businesses reflects its customer diversification strategy which helps create a robust business portfolio, reinforced by a strong position as a supplier to the French Ministry of Defense. This global strategy is aimed at controlling the risk of dependency on government business.

4.3.2 Risks relating to the environment in which Safran operates

4.3.2.1 Supply chain difficulties

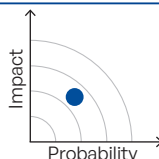
Importance: critical	
Risk identification and description	Risk mitigation
This risk family’s spectrum has been opened up to a combination of multiple scenarios. Safran’s supply chain is now no longer exposed only to capacity issues, but also to inventory management difficulties, and the combination of these issues could have a direct impact on the Group’s operating performance. By way of illustration, on top of preexisting capacity issues, we might also find a variation in aircraft manufacturers’ production rates, liable to entail re-scheduling difficulties for Safran. This might make for complex management of inventories, maintained at exceptionally high levels, possibly affecting certain operational, strategic and financial priorities, and even entailing contractual penalties from aircraft manufacturers. Such overlapping scenarios might be further aggravated by excessive price rises for certain products and supplies, and by the persistent risk of outages, as discussed in section 4.3.1.4. With production volumes on the rise, geopolitical tensions described in section 4.3.2.2 intensify exposure of the Safran supply chain to mounting economic sovereignty, possibly leading to protectionist measures and competitive market distortions, delays in aircraft orders and/or program certifications, and restricted access to certain raw materials, electronic components or other scarce equipment. International sanctions relating to certain conflict situations can, moreover, generate barriers to economic trade and business dealings, as is the case of Western sanctions against Russia due to the war with Ukraine, and Russian counter-sanctions in response, which can restrict Western manufacturers’ access to Russian titanium, for example.	The Group International and Public Affairs Department and the Group Industrial, Purchasing and Performance Department coordinate their efforts at Group level – assisted by operational input from tier-one entities – to manage these contingencies. Safran has reviewed its make-or-buy global sourcing strategy, and is currently rolling out a plan to transform its supply chain management. Business continuity plans are also adjusted accordingly. In addition, a "crisis" type organization is maintained for the supply of certain sensitive materials or products, such as electronic components, in order to anticipate and meet future needs. In addition, Safran is implementing a desensitization plan for certain suppliers and geographical zones exposed to strong and persistent geopolitical tensions, such as those linked to Russia’s war in Ukraine or to sensitive relations between China and Taiwan. These actions are accompanied, where necessary, by the creation of buffer stocks for periods corresponding to reindustrialization periods. For example, the Group is phasing out its dependence on titanium produced by and purchased from the Russian company VSMPO. Action plans may also include specific initiatives to support operations, particularly in the financial or human resources fields, to limit the Group’s exposure and prepare it to take the necessary measures should it have to leave a territory in which it operates.

4.3.2.2 Risks related to geopolitical tensions

Importance: significant	
Risk identification and description	Risk mitigation
The development of Safran's activities and sites worldwide exposes the Group to political and economic risks specific to certain countries. These risks are likely to affect the Group's employees, assets, activities and results, on top of the risks associated with its suppliers and subcontractors described in section 4.3.1.4 and the difficulties encountered by its supply chain described in section 4.3.2.1 above. In the aerospace and defense industries, certain contracts are closed to foreign competition, while others are awarded based almost entirely on strategic national security or sovereignty considerations. Moreover, the transfer or export of defense or dual-use equipment is prohibited or restricted by law in several countries, including France, and may only take place further to special governmental authorizations that require strict compliance with export regulations. More broadly, Safran has to contend with the currently evolving and accelerating geopolitical tensions, particularly those resulting from bilateral pressures which contrast with the more traditional and open multilateral relations, a heightened risk of fragmentation within regional organizations, and the risk of conflicts that could potentially take on a systemic dimension with global repercussions.	Safran's action plan in this area is also coordinated by the Group International and Public Affairs Department and the Group Industrial, Purchasing and Performance Department, which benefit from the operational contributions of both the tier-one entities and the Safety Department, for example for the implementation of specific protection measures or a country watch. The Group endeavors to assess the risks of terrorism, armed conflict and confrontation with criminal organizations, as well as the other consequences of the current geopolitical tensions, particularly in terms of their impact on its employees, intangible assets and property, plant and equipment, notably its sites, logistics flows and transportation flows. The regions in which the Group operates are classified according to risk, each of which is associated with a series of specific prevention, detection and protection measures. The Group is also assisted by the governments of France and other countries, as well as by specialist service providers. The current level of tension has justified the implementation of a reinforced geostrategic watch system and support for subsidiaries in their efforts to reduce their exposure to the highest risk countries. It has also led to action to rebalance the Group's business base and geographic presence. And lastly, controls over sales have been tightened with end-users requiring user certificates.

4.3.2.3 Competitive risks and cycle effects

Importance: **significant**



Risk identification and description

Changes in the global economy have a direct impact on demand for air transportation and freight, and in turn directly affect market demand for commercial aircraft.

The macroeconomic and aircraft program assumptions determined by the Group take into consideration the economic conditions observed at the date of this Universal Registration Document and are taken into account when preparing the budget and the medium-term business development plan.

Beyond exceptional events such as terrorism, pandemics, aviation disasters and adverse environmental or geophysical conditions, which can cause a temporary drop in air traffic and consequently impact Safran's production cycles and services (the civil aircraft engine, aircraft equipment, maintenance and services markets), commercial aircraft orders tend to be cyclical in nature, owing mainly to:

- changes in air traffic;
- the rate at which aircraft fleets age and are replaced;
- airline companies' investment decisions and financial capacity.

Airline companies' demand for new aircraft can have a direct impact on Safran's level of activity. Changes in air traffic can affect not only production rates and sales volumes, for example of original equipment engines, but also related aftermarket services, including maintenance and repair, as well as spare parts sales.

Safran is also exposed to the risk of not sufficiently anticipating changes in its markets or in customer demands, or of not fully satisfying these demands. Even though financial and technological barriers to entry are high, errors of assessment or delays could benefit the Group's competitors.

Risk mitigation

In recent multiple crises, Safran has demonstrated its ability to respond quickly with effective plans to adapt to exceptional economic constraints that may impact the aerospace sector.

After successfully ramping up production in the past (particularly for the LEAP engine), Safran adapted to the drastic drop in demand from its customers during the Covid-19 pandemic in 2020/2021 and reviewed its internal and external supply chain accordingly (see section 4.3.1.4), while also securing its potential to leverage the upside of the forecast business recovery. This recovery is now underway, in both commercial aviation and sovereignty-related activities. Safran continues to ensure that its production resources are adapted to long-term trends in demand and rigorously manages its investments accordingly.

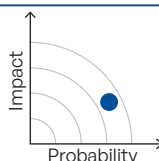
Operational excellence and continuous competitive performance enhancement are vital levers for the Group. Safran also seeks to maintain and sharpen its technological edge at all times, thanks to sustained research and technology spending with a particular focus on segments where the product development cycle is unusually long, as is currently the case for the Revolutionary Innovation for Sustainable Engines (RISE) program.

Safran deploys its strategy with a view to being present across all segments and most aircraft components (see section 1.2), with a focus on its different types of customers (i.e., aircraft manufacturers, airlines or governments), and the different stages of its products' life cycle, from the original equipment to the aftermarket service.

Finally, Safran continues to make targeted investments in R&D (see section 1.3.1.2) and in targeted external growth transactions. It also develops and maintains strategic partnerships on a number of programs (see sections 4.3.1.3 and 4.3.1.4).

4.3.2.4 Environmental and climate change transition risks

Importance: **significant**



Risk identification and description

Safran is exposed to risks related to climate change (see section 5.1.2.1.3). Despite proactively adapting to these challenges, notably through better and longer-term modeling of its exposure, Safran could be required to commit significant resources and potentially use sub-optimal financing solutions.

Climate change presents a twofold challenge for Safran in terms of:

- the impact of climate change on the Group's activities; and
- the impact of the Group's activities on climate change. Safran's greenhouse gas emissions are both direct, through its industrial operations, freight and employee travel, and indirect, through its purchasing and customers' use of its products.

Safran has therefore identified two types of exposure to climate change risks:

- physical risks (see section 5.1.3.1.3) resulting from damage caused directly by extreme weather and climate events, which could cause damage to the Group's facilities and endanger the safety of its employees. The exposure of Safran's sites and their supply chains to these risks is largely dependent on their geographic location. The frequency and intensity of climate events, aggravated by the rise in global temperatures, are taken into account when deciding where to locate Safran's activities;
- transition risks stemming from economic, regulatory, labor and social changes in relation to the fight against climate change. This could include new taxes, regulatory measures to reduce the use of air transport, loss of market share or loss of attractiveness of the industry for investors or for Safran if more competitive products for decarbonization are developed by competitors.

All industrial activities generate risks, particularly health, safety and environmental risks. At the production sites, these risks chiefly concern fire, explosions, waste discharges, liquids and gases as well as risks related to the management and use of chemical substances, as indicated in section 4.3.1.5 above.

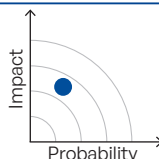
Risk mitigation

Safran is deploying a proactive strategy underpinned by quantified objectives for meeting key climate change challenges and the increasing scarcity of fossil fuels, by carefully controlling and reducing its energy consumption and the greenhouse gas emissions produced by its operations and services in phase with the Paris Agreement (see section 5.1.2.1.2). Its strategy also includes imposing demanding selection conditions on its carbon-heaviest suppliers, so that they commit alongside Safran to action plans compatible with the objectives of the Paris Agreement.

Led by a member of the Executive Committee, the Group Sustainability Department positions the Group's environmental and social responsibility approach at the highest level. It manages and deploys sustainability initiatives (social, societal and environmental aspects) throughout Safran's activities, sites, products and services, and operating methods. The Department also ensures responsible practices and compliance with regulatory obligations on all sustainability topics, and leads the Group's discussions on the topic with internal and external stakeholders (see section 5.1.1.3.2).

Safran has devised a workplace health and safety strategy and governance framework (see section 5.1.3.1.1) that guarantee a high level of protection for all its employees and assets. This framework is designed to contain and control the Group's overall risk exposure while helping to optimize its environmental and social footprint. Rigorous standards have been introduced at all sites and a range of training, prevention, transition and streamlining initiatives have been deployed.

4.3.2.5 Legal and regulatory risks



Importance: **significant**

Risk identification and description

Legal risks

Safran is subject to multiple regulations that can change on a regular basis in the various countries in which it does business. The Group is therefore exposed to the risk of non-compliance with regulations issued by international, supranational and national authorities, including the European Union and the United States, particularly in the areas of anti-trust law, the fight against corruption, customs, export and import controls, duty of care, personal data protection (see section 4.3.3.2), environmental or sustainability regulations, and sanctions against regions, countries and/or individuals or legal entities, such as asset freezes and embargoes. Any failure to comply with these regulations could open Safran up to investigations and legal or administrative proceedings which could lead to sanctions adversely affecting its business, financial position or reputation.

Safran is also exposed to the risk of claims resulting from alleged non-compliance with certain contractual obligations in its relations with third parties. These claims could result in an obligation to pay damages that could have an adverse impact on the Group.

Corruption risks

Due to the nature of its businesses and its international footprint, Safran is exposed to corruption risk, broadly covering direct and indirect active or passive corruption, with potentially material financial, reputational and criminal consequences, both for the Group and for its employees.

Risk mitigation

Safran takes all necessary measures to comply with all such rules affecting its operations. To ensure strict compliance with such international, supranational and national regulations, the Group has implemented action plans leading Group entities to report all claims or potential cases of non-compliance, inform the authorities concerned of any such cases, and take all the necessary precautions to prevent similar cases arising in the future (see section 5.2.4). To date, the very few instances of non-compliance with export rules voluntarily brought to the attention of the authorities have either been closed after investigation without material penalties or are currently being investigated. In the past, the Group has paid non-material export control and customs penalties.

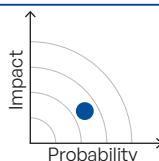
Safran conducts its affairs according to the highest standards of transparency, integrity and professional rigor, with zero tolerance for non-compliance, based on values and ethics shared by all employees. As part of the Group's continuous improvement strategy, action plans focused on business ethics and the prevention of corruption and influence peddling have been supplemented and strengthened regularly, as described in section 5.1.4.3. A robust program for the prevention and detection of active and passive, direct and indirect corruption risks is in place based on the principle of zero tolerance.

Safran has set up various channels for reporting fraud or unethical behavior, including a secure, multilingual safran@alertethic.com email address. Whistleblowers can use this address to file, anonymously or openly, any good faith report of a breach of the principles enshrined in the Group's Code of Ethics. It is available to Group employees, as well as to external or occasional employees, customers or suppliers (see section 5.1.4.3.2).

4.3.2.6 Financial market risks

Foreign currency risk

Importance: **significant**



Risk identification and description

Safran is exposed to risks resulting from exchange rate fluctuations due to the international nature of its business. Its main exposure arises on its day-to-day business activities, whenever goods or services are invoiced in a currency other than the functional currency.

Most revenue earned in the civil aviation sector is denominated in US dollars, which is the benchmark currency used in the industry. The net excess of USD revenues over USD expenses for these activities is significant for the Group and represents its main foreign currency risk exposure.

Risk mitigation

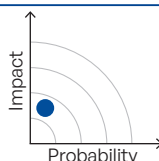
To protect its operating profit, Safran implements a foreign currency risk hedging policy with the aim of reducing uncertainty factors that could affect its operating profitability, and allowing it to adapt its cost structure to a fast-changing monetary environment.

A specific foreign currency risk hedging policy is implemented through market transactions (forward exchange contracts, plain vanilla options and knock-out options) on the Group's main foreign currency exposures, i.e., mainly EUR/USD.

As part of its forex policy, Safran uses backwardation at historical exchange rates to extend certain hedges, thereby exposing itself to a theoretical liquidity risk.

Counterparty risk/customer financial default risk

Importance: **significant**



Risk identification and description

Safran's different businesses target aircraft and helicopter manufacturers, airlines, leasing companies and other operators in commercial aviation; governments, armed forces and industrial groups in sovereignty and defense; and institutional customers and satellite manufacturers in space. Some customers could present a credit risk, i.e., a risk that they default on their contractual commitments or payments, leading them to interrupt an order in progress or be unable to pay on delivery.

Risk mitigation

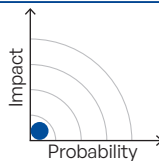
Safran has many different types of customer (private and public) with a broad range of geographic locations, which helps offset these risks to some extent. Safran also endeavors to limit its exposure by taking out insurance cover with export credit agencies (e.g., Bpifrance Assurance Export) or private insurers.

Safran also regularly reviews its customers' ability to meet their obligations, and applies payment terms and conditions adapted to the risks involved.

Further information is provided in section 3.1, Note 6.2.3 to the consolidated financial statements at December 31, 2024.

Risk related to financial support for sales

Importance: **low**



Risk identification and description

In connection with certain sales of civil aircraft engines, Safran may be required to make financial commitments to airline companies, generally up to the share represented by its engine in their aircraft orders. This may involve backstop financing for aircraft (a guarantee indexed to an asset value limit), backstop guarantees granted to lenders, guarantees of asset value at a given date, or trade-ins of used aircraft at a given date and price.

These commitments expose Safran to:

- the risk of these airlines defaulting on their backstop financing;
- the risk of illiquidity in the used aircraft market, or of a significant fall in the market value of aircraft pledged as security, or for which the market value or buyback price by Safran is guaranteed; or
- a combination of these two risks.

Should they materialize, these risks could affect the Group's liquidity, earnings or financial position.

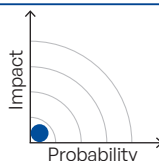
Risk mitigation

These commitments relate to a limited number of orders, and aircraft subject to backstop financing are systematically pledged to Safran. However, there remains a residual risk as to the value of the pledged aircraft and the potential illiquidity of the used market.

Safran also issues guarantees in connection with certain sales. These off-balance sheet commitments are described in detail in section 3.1, Note 6.4.1.

Liquidity risk

Importance: **low**



Risk identification and description

Safran's business requires it to have access to external sources of financing, and the availability of such financing depends on a variety of factors such as market conditions, the macroeconomic environment and the Group's credit rating. Liquidity risk arises when a deterioration in financial markets (capital markets or bank lending) limits access to financing or significantly increases borrowing costs.

Risk mitigation

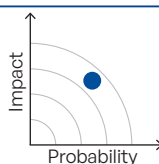
Safran strives to anticipate its liquidity needs and to cover those needs by preserving the long-term credit rating awarded by a leading rating agency and maintaining an appropriate balance of the following short- and long-term financial resources, in particular:

- shareholders' equity, details of which are given by heading in section 3.1, in Note 6.3.1 to the consolidated financial statements;
- gross debt, details of which – including a breakdown by maturity – are given in section 3.1, in Note 6.5.2 to the consolidated financial statements;
- a confirmed bank credit line, undrawn at December 31, 2024, amounting to €2 billion and maturing in May 2029;
- a Negotiable European Commercial Paper (NEU CP) program for €3 billion.

4.3.3 Risks relating to Safran's strategic development

4.3.3.1 Risks relating to technological innovation and the decarbonization of aeronautics

Importance: **critical**



Risk identification and description

Safran designs, develops and manufactures products and services recognized for their high degree of technological innovation, and is exposed to the risk of competitors developing products that are better placed to meet market needs, more technically advanced or competitive or that are marketed earlier than those it develops. In particular, Safran has to contend with the risk inherent in its choice of certain emerging cutting-edge technologies to develop a low-carbon aviation sector. If these choices subsequently prove to be unsuitable, this could affect Safran's activities or financial position.

For Safran, intellectual/industrial property (IP) is an intangible asset of increasing importance in a context of globalized markets and ever-fiercer competition. As a result, the Group is exposed to aggressive actions by competitors, targeting its patent portfolio in particular. These actions may result in the infringement or attempted infringement of its own IP rights, as well as allegations of infringement of IP rights belonging to third parties. Moreover, over-dependence on specific and protected third-party technologies could also have an adverse impact on the development of the Group's business.

As part of its efforts to contribute to the decarbonization of aviation, the introduction of new fuels, in particular sustainable aviation fuels (SAF), is a powerful lever for Safran. However, the Group could face two types of difficulties in this respect: certain regulations or certifications may not allow sufficient SAF to be incorporated into its products (engines, fuel systems, etc.), and in particular, the availability of sustainable fuels for aviation may prove insufficient to enable Safran and the aviation sector as a whole to meet their commitments.

Risk mitigation

The actions taken by the Group to limit the impact of such risks are outlined in section 1.3, "Research and development".

Safran's financial resources enable it to invest in upstream R&T, limiting the risk of dead-ends or blind spots.

Safran has set up a pooled research unit focusing on upstream, cross-functional technologies within Safran Tech, the Group's research and technology center. The center is home to nearly 500 scientists and technologists working in research sites and hubs, mainly the facilities at Safran Composites, Safran Ceramics and Safran Additive Manufacturing Campus, with almost 100 specialists in organic and ceramic matrix composites, organic chemistry and additive manufacturing. Moreover, the Gennevilliers plant, near Paris, experiments in forging and casting to give Safran a cutting edge in the technologies involved in machining aircraft engine parts.

The Group draws on the complementary scientific and technical expertise provided by its partners, suppliers and subcontractors (see sections 5.1.4.4, 4.3.1.3 and 4.3.1.4). Safran can also make targeted investments in innovation through Safran Corporate Venture.

The Group has clarified its IP governance and set up the Center for Intellectual Property Excellence (CEPI), a more effective, centrally coordinated structure involving specialists that work for all Group entities. The CEPI now provides all of Safran's IP-related assistance and consulting services and oversees the related risks, notably those concerning the protection of know-how and inventions, developing and proactively managing patent portfolios, dealing with litigation and maintaining up-to-date strategic and technological intelligence, and promoting the Group's innovation to secure its competitive advantage and help it to meet customer needs as effectively as possible. The IP team's mission is underpinned by a Group charter setting out the importance of maintaining strategic and technological intelligence, respecting the rights of third parties, protecting the Group's IP portfolio and defending its rights and capacity to gain a competitive advantage through innovation. Streamlined and stable governance, skills pooling and deployment of processes for operational excellence are being used by the Group to both assess and control its exposure to IP risks.

More generally speaking, and to affirm its commitment to the decarbonization of the aviation industry by 2050 over and above the transition challenges set out in section 4.3.2.4, and as described in section 5.1.2.1, Safran has taken a number of initiatives and is actively involved in drafting environmental standards and voluntary commitments, contributing to the work of institutions like the ICAO via the Air Transport Action Group (ATAG), the International Aerospace Environmental Group (IAEG), the European Civil Aviation Conference (ECAC), the Aerospace, Security & Defence Industries Association of Europe (ASD) and the French Aeronautical and Space Industries Group (GIFAS). Safran has consequently deployed a technological roadmap designed to cut the emissions generated by its products. Safran plays a key role in a number of major R&T programs, including eight R&T projects sponsored by the European Clean Aviation program. In 2023, Safran was selected to head up the first phase of one of these projects, namely the OFELIA project. As part of the Clean Aviation project, on January 19, 2024 Safran and ONERA

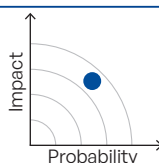
Risk identification and description

Risk mitigation

launched wind tunnel tests at Modane (France) on ECOENGINe, a 1/5th scale demonstrator of the future Open Fan engine that is a pillar of the RISE program. Safran is also leading the Aviation pillar of the Renewable and Low Carbon Fuels Alliance launched by the European Commission, which is playing a strategic role in implementing ReFuel EU measures. The ReFuel EU legislation adopted by the European Parliament aims to regulate and promote the use of sustainable fuels by the civil aviation sector. In addition, on November 27, 2024, Safran unveiled its new BeCOVER test rig in Liège, Belgium, which will be used to test all types of compressors for new-generation civil and military aircraft engines. This new test center offers unique facilities for testing and validating disruptive technologies, such as the low-pressure rapid compressor prototype for the future RISE engine. In this context, Safran devotes 75% of its self-financed R&T spend to decarbonizing the aviation sector.

4.3.3.2 Risks relating to digitalization

Importance: **critical**



Risk identification and description

Safran's digital transformation provides a catalyst for improving performance and the quality of products designed, manufactured and maintained thanks to digital continuity, better control of risks related to human factors, and identification of new avenues for improvement with access to new data. Risks associated with insufficient or poorly managed digitalization could expose the Group to a possible loss of competitiveness across its engineering, production and service activities.

The main types of digitalization risks to which Safran is exposed in this area are described below.

Confidentiality and data protection

Data owned by the Group are critical in terms of technological innovation, as well as strategy and key assets. Safran therefore needs to have reasonable assurance that its intangible assets (data, knowledge and expertise in particular) are adequately protected. Faced with risks of negligence, malicious intent, unlawful attempts to gain access to confidential data and threats to the security of its information systems, prevention and protection measures are deployed on an ongoing basis to guarantee the integrity of the Group's information systems and data, as well as employees' personal data and the data of other stakeholders, while also ensuring business continuity.

Cyber threats

Safran is exposed to the risk of its information systems and data being compromised. Cyber threats can take many different forms – cybercrime, cyber sabotage, cyber espionage or cyber destabilization – and are becoming more numerous and more sophisticated, especially in the context of the Russo-Ukrainian conflict. They could lead to disruptions in services, causing, for example, the loss of connection on internal and external network exchange platforms and the unavailability of the Group's information systems, or breaches in the confidentiality or integrity of data hosted by or transiting through its information systems (loss, destruction, theft and corruption). Such events could result in recovery and reconstruction costs, additional costs, including legal defense costs, operating losses due to stoppages and interruptions and penalties and even medium-term loss of confidence of major customers and possible loss of business.

Risk mitigation

To ensure its digital transformation, Safran is mobilizing a team of nearly 450 digitalization experts and facilitators at both central and tier-one entity level. Its strategy is supported by a substantial, ongoing budget. These different measures and resources must serve to ensure that the transformation roadmap is implemented in a disciplined manner and disseminated throughout the organization based on a shared data culture.

Preventive and protective measures are implemented on a recurring basis to guarantee the integrity of the information systems and data held or used by the Group, as well as the continuity of its operations. These include the specific use of generative artificial intelligence, in a secure configuration.

Safran's information system security policy is based on a series of robust organizational, technical and governance guiding principles. It meets requirements set out in French regulations on the protection of intangible assets contained in information systems and is based on internationally recognized standards. Under the policy, awareness-raising and training initiatives for Group employees are organized on a regular basis. At least one cyber attack simulation exercise is carried out at Group level each year.

Safran is continuously improving its cyber governance, expertise and resources in response to this evolving and growing threat. It invests in event detection and incident response tools, security alerts, technical protection for its information systems, and specific regular audits and intrusion detection tests monitoring the effectiveness of these systems.

Safran also helps to increase the cyber maturity of its supply chain, notably by introducing stricter resilience and disclosure

Risk identification and description**Cyber products**

A cyber attack could lead to the malfunction of equipment or systems marketed by Safran if they were insufficiently protected.

Risk mitigation

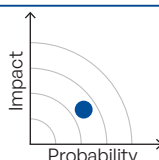
requirements for its suppliers and subcontractors in the face of cyber threats. Safran also encourages its suppliers and subcontractors to improve their cyber risk analysis and management through the AeroExcellence approach and the AirCyber® solution, marketed by Boost Aerospace, a joint venture with Airbus, Thales and Dassault Aviation.

Around 60 Safran employees are now working at the Cyber Campus, a cybersecurity center of excellence located in Puteaux, near Paris, to benefit from the opportunity to work alongside major national and international experts in the field.

Safran's Cyber Product Plan recommends the implementation of the Safran Cyber Security Assurance Requirements (SARs) covering all equipment and systems life cycles (specifications, development, certification, entry into service, operational maintenance and retirement), through the acquisition of key hardware and software technological building blocks on a make-or-buy basis. The plan is deployed by a network of Group and company-level cyber correspondents referred to as Product Security Officers (PSOs). A Part-IS application project is underway to implement the EASA's Information Security Management System (ISMS).

4.3.3.3 Human resources risks

Importance: **significant**

**Risk identification and description**

The Group's different activities harness a wide range of employee expertise and skills across many different sectors. As a result, Safran is exposed to the risk of failing to find the appropriate skills at the right time and in the right place that it needs to deploy its strategy and complete its development projects or its programs effectively due to increasing recruitment difficulties in certain critical areas, a lack of attractiveness or high turnover of personnel. These risks are exacerbated by the strong upturn in activity in the aerospace and defense industries.

Safran also has to contend with a high attrition rate caused by the very high portion of employees currently retiring and expected to retire over the coming years, and with the rapid changes occurring in the Group's businesses. For example, the accelerated pace of change in the Group's businesses, whether due to digital transformation or to the move towards more electric products with a lower carbon footprint, increases the risk of losing skills and know-how.

Risk mitigation

To limit these risks, Safran continually strives to rescale, acquire, retain, train, redeploy, bolster, incentivize and renew the skills that it needs or will need in the future.

Consequently, it is developing partnership strategies with top graduate schools and scientific universities to recruit employees for its current core and future businesses. The Group also actively promotes the Safran employer brand together with the attractiveness of its career opportunities, underpinned by a policy to promote professional equality, diversity and inclusion sponsored by the Executive Committee. Managerial practices and work organization (especially teleworking) have been adapted to meet the expectations of younger generations.

To increase its attractiveness, Safran encourages the recruitment of young people trained within the Group through internships, work-study and international corporate volunteer programs or doctorates. Safran also strives to diversify the profiles of new hires and increase its recruitment of engineers with doctorates. In addition, professional and geographic mobility programs, talent identification and support systems and the creation of talent pools, succession planning for key posts and skills, training, monitoring and career development, together with the transmission of the Group's know-how and values to new hires, are all being used to manage these risks. The Group has concentrated oversight of this competitiveness plan into a single "Skills and Training" division.

Action plans specifically designed to protect the Group from departures of key personnel (the "Group Expert" action plan and the Safran Fellow Expert initiative) have been put in place, in particular by the Technical and Human Resources departments. These plans are mainly aimed at identifying critical and strategic skills, reinforcing succession planning and skills development, and monitoring training on knowledge transfer. The Executive Committee fully supports this policy of promoting expertise within the Group.

Risk identification and description

Risk mitigation

Thanks to a digitized approach to skills management, employees now have the opportunity to declare their acquired skills and identify those to be acquired, along with the associated training to build their career path.

Safran also continues to adapt its salary policy and to offer employee bonus, profit-sharing and equity and savings incentive schemes that foster employee buy-in and loyalty. These measures are mentioned in section 4.3.1.5 and are explained in detail in section 5.1.3.1 below. They have enabled the Group to adapt to its significant need for new hires throughout the year. In 2024, more than 18,000 people were hired under permanent contracts, the same number as in 2023.

4.4 INSURANCE

The Risk and Insurance Department identifies the key accident risks to which the Group's businesses are exposed and puts in place the appropriate insurance policies. This does not include personal risk insurance, managed by the Human and Social Responsibility Department, or credit insurance, managed by the Financing Department.

The key accident risks are covered by worldwide multi-risk policies spanning several years where applicable, negotiated with leading insurance companies that reflect the Group's current exposure. They include:

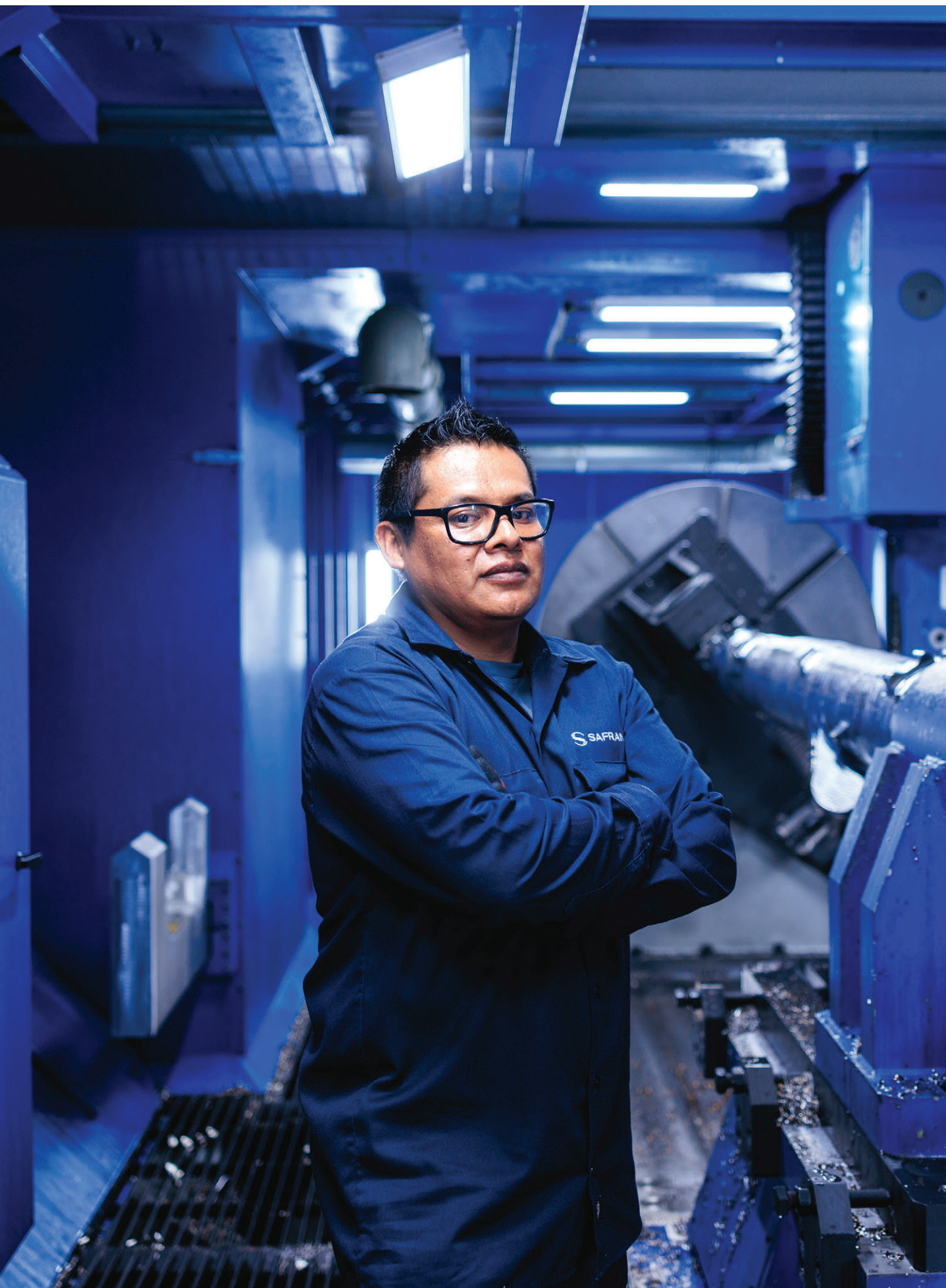
- a "property damage and business interruption" policy providing coverage for damage to industrial installations (buildings, machines, inventories, etc.). The maximum payout under the policy is €400 million, or up to €1.2 billion for certain major Group sites, excluding market-imposed sub-limits for certain risks such as flooding, earthquakes, natural disasters or asbestos removal following an insurance claim;

- "product third-party liability" policies covering the Group in the event that it is held liable for damages to third parties as a result of an accident attributable to a delivered product no longer owned or controlled by a Group entity:

- aviation products: the policies provide coverage totaling USD 2.5 billion per annum that can be used during the year for aviation products. Coverage for helicopter products is capped at USD 1 billion, while coverage for terrorism totals USD 1 billion,
- "land" products (excluding aviation businesses): the policies provide coverage of €200 million per annum that can be used during the year.

Other specific types of insurance have also been taken out to round out the Group's insurance coverage. In particular, local insurance programs are subscribed across the globe either to cover specific risks or in response to local insurance requirements.

The Group's captive reinsurance company participates in the operational risk coverage scheme within the framework of "civil aviation liability" and "property damage and business interruption" insurance policies.



5

SUSTAINABILITY STATEMENT AND SUMMARY DUTY OF CARE PLAN

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5.1	SUSTAINABILITY STATEMENT	324		
5.1.1	General disclosures (ESRS 2)	324		
5.1.1.1	Methodology	324	5.1.5	Methodology note on social and governance metrics 437
5.1.1.2	Corporate Social Responsibility (CSR) governance	326	5.1.5.1	Details on key labor metrics 437
5.1.1.3	Strategy, business model and CSR policy	331	5.1.5.2	Details on key governance metrics 438
5.1.1.4	Safran ESG topics	337	5.1.6	Appendices 439
5.1.2	Environment	345	5.1.6.1	Disclosure Requirements in ESRS covered by the Sustainability Statement 439
5.1.2.1	Climate and decarbonization challenges (mitigation and adaptation) - ESG Topic 1 (ESRS E1)	345	5.1.6.2	ESRS data points required by other EU legislation (ESRS 2 - Annex B) 441
5.1.2.2	Management of pollution, waste and substances of concern - ESG Topic 3 (ESRS E2)	369	5.1.7	Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 443
5.1.2.3	Access to raw materials and circularity of products and services - ESG Topic 2 (ESRS E5)	373		
5.1.2.4	European Taxonomy	377		
5.1.3	Social	388	5.2	DUTY OF CARE PLAN (SUMMARY) 447
5.1.3.1	Own workforce (ESRS S1)	388	5.2.1	Governance 447
5.1.3.2	Workers in the value chain (ESRS S2)	412	5.2.2	Scope of application 447
5.1.3.3	Consumers and end-users (ESRS S4)	416	5.2.3	Duty of care risk map 447
5.1.4	Governance (ESRS G1)	418	5.2.4	Implementation report and actions planned for 2025 448
5.1.4.1	Roles of the administrative and management bodies	418		
5.1.4.2	Resilience and ESG performance of the supply chain (ESG topic 12)	419		
5.1.4.3	Regulatory compliance and business ethics (ESG topic 13)	424		
5.1.4.4	Innovation, support to research and scientific partnerships (ESG topic 11)	432		
5.1.4.5	Cybersecurity and protection of personal data (ESG topic 14)	435		

5.1 SUSTAINABILITY STATEMENT

The Group is publishing its first Sustainability Information Statement (hereinafter **Sustainability Statement**), prepared in accordance with Directive (EU) 2022/2464 on the publication of sustainability information by companies, the Corporate Sustainability Reporting Directive (hereinafter **CSRD**), transposed into French law by Article L.232-6-3 of the French Commercial Code. This document replaces the non-financial information statement (NFIS).

This chapter is a part of the management report provided for in Article L.232-28-4 of the French Commercial Code. It is subject to certification by the Group's sustainability auditors, whose report is presented in section 5.1.7. As required, this report expresses a limited assurance conclusion on this Sustainability Statement.

It is important to note that the information published in this Sustainability Statement does not reflect all of Safran's sustainability actions, but only material points as defined by the CSRD. This information has been prepared in the context of first-time application of the CSRD directive and ESRS standards, characterized by uncertainties in the interpretation of the texts, significant estimates and a lack of established practices and frameworks, especially as regards double materiality analysis.

This first Sustainability Statement thus fits in with a continuous improvement process, and takes account of transitional provisions. It will be expanded on and improved in the coming years.

To make the information easier to read and understand, references to information required by the CSRD are shown in brackets.

5.1.1 General disclosures (ESRS 2)

5.1.1.1 Methodology

[BP-1]

5.1.1.1.1 Scope of the Sustainability Statement

Safran's Sustainability Statement has been prepared on a consolidated basis, covering, unless otherwise indicated, the scope of the Group's consolidated financial statements (fully consolidated companies) plus subsidiaries under Safran control but not consolidated on materiality matters in the financial statements.

The reporting scope for Scopes 1⁽¹⁾ and 2⁽²⁾ emissions also includes the following joint ventures over which Safran exercises operational management: Aero Gearbox International Poland, Aero Gearbox International, Ceramic Coating Center SAS, Snecma Hal Aerospace Private Limited, Airfoils Advanced Solutions SAS, Sichuan Services Aero-Engine Maintenance.

The Group has carried out a double materiality analysis covering both its own operations and its upstream and downstream value chain, over the short, medium and long term. Through this exercise, Safran has identified the impacts, risks and opportunities (**IROs**) that it considers significant with regard to its business and its stakeholders' expectations. This Sustainability Statement groups these IROs by topic. In response to these IROs, Safran develops and implements specific policies and action plans. To monitor the effectiveness of these, the Group has set targets with associated metrics. The methodologies for calculating the indicators in this Sustainability Statement are outlined in sections 5.1.2.1.6 and 5.1.5.

Information on intellectual property, know-how and innovation outcomes

[BP-1 5d]

In accordance with the principles of ESRS 1, section 7.7 "Classified and sensitive information, and information on intellectual property, know-how or results of innovation", Safran has chosen not to disclose certain information, such as that regarding strategic objectives or ensuring the security of confidential information of its employees and customers.

5.1.1.1.2 Disclosures in relation to specific circumstances

[BP-2]

Time horizons

[BP-2 9a, b]

Safran uses time horizons consistent with those used for financial reporting, including for the preparation of the budget and the medium-term plan (MTP), which differ slightly from those laid down in the standards as defined in section 6.4 of ESRS 1:

- short-term covers a period of one year from the end of the reporting period. It corresponds to the rollout of actions whose finance has been secured;
- the medium-term horizon extends up to four years from the end of the reporting period. It corresponds to the rollout of actions whose financing has been secured under the MTP but which have not yet been fully deployed;
- the long-term time horizon extends beyond four years from the end of the reporting period. It corresponds to the definition in the Group's R&T roadmap and to its strategic pathways that extend beyond five years.

(1) Scope 1: includes direct emissions linked to the combustion of energy sources such as natural gas, liquefied petroleum gas, heating oil or diesel, heavy fuel oil and aviation fuel, as well as emissions related to refrigerant leaks during recharging at Safran sites. Direct emissions from biogas are also included in the Scope 1 calculation.

(2) Scope 2: includes indirect emissions from the generation of purchased electricity, steam, heat or cooling consumed by the Group. The emission factor for electricity only takes combustion into account.

Specific information and sources of estimation and outcome uncertainty and first-time application of the CSRD and ESRS

[BP-2 11]

This Sustainability Statement contains information that cannot be directly measured and must therefore be estimated, which results in a degree of uncertainty. This is particularly the case for data concerning the Group's value chain (both upstream and downstream), which is based on estimations when access to direct data is limited. Methodologies and assumptions are detailed in the relevant chapters.

The Group continues to work on improving the accuracy of its estimations.

Uncertainties in the interpretation of the texts related to first-time application also require judgments in the definition and application of relevant criteria for sustainability information, as well as uncertainties about the applicability and relevance of certain data points.

In addition, some metrics may have methodological limitations in the absence of harmonization of definitions and legislation or due to the qualitative and subjective nature of certain data. Metrics may reflect estimated data or include methodological simplifications.

For a limited number of metrics, the Group has chosen not to disclose certain information or only to disclose partial information where data is not available despite efforts to collect it and where estimates are not pertinent or would lead to the disclosure of confidential items related to production processes or business forecasts (this is particularly the case for some information related to [ESRS E1-4 34], [E2-4 28] and [E2-5 34]). Explanations are provided in the relevant sections of this Sustainability Statement.

With regard to the European Environmental Taxonomy, changes in the interpretation of Do No Significant Harm (DNSH) Pollution classification criterion could lead the Group to adjust its alignment criteria in the future.

Lastly, the Group may review its sustainability reporting and communication practices in the light of new regulations and standards. Work is underway on certain topics to improve the availability of the required information.

Safran is committed to a process of continuous improvement, taking into account industry best practices.

[BP-2 11b (i and ii)]

This Sustainability Statement also contains forward-looking statements based on current opinions and assumptions on

future events. This forward-looking information includes projections and estimations based on assumptions, on considerations regarding projects, objectives and expectations for forthcoming events, operations, products and services, and on assumptions regarding future performance and synergies. No guarantee can be given that such projections and estimations will materialize, as they are subject to inherent risks, uncertainties and assumptions concerning Safran, industry trends, future investments and acquisitions, changes in economic conditions, and shifts in the main markets, competition and regulations. Such uncertainty means that actual outcomes could differ from those currently envisioned, with significant impact on expected results. Results could differ significantly from those projected or implied in forward-looking information.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

[BP-2 15]

This Sustainability Statement includes additional information required by French legislation. To comply with the French Commercial Code (Article L. 122-10-35), information on Safran's actions to combat tax evasion and promote the bond between the nation and its armed forces and to support engagement in the national reserve forces is provided in sections 5.1.3.1.3 and 5.1.4.3.2.

In May 2024, the European Financial Reporting Advisory Group (EFRAG) and the International Sustainability Standards Board (ISSB) published an interoperability guide to compare the requirements of the European Sustainability Reporting Standard (ESRS) with those of the ISSB's International Financial Reporting Standard (IFRS) on sustainability reporting. These guidelines illustrate the interoperability between the two sets of standards, particularly with regard to climate reporting (IFRS S2). Reflecting this interoperability, Safran's Sustainability Statement prepared in accordance with ESRS is substantially aligned with IFRS S2, Climate-related Disclosures.

Inclusion of information by reference

[BP-2 16]

To make the Sustainability Statement and this Universal Registration Document easier to read, the Group includes certain information by reference, to avoid redundancy.

The table below summarizes the publication requirements and specific data points specified by the ESRS standards, which have been included by reference:

Standards	Disclosure requirements and data points	URD sections
ESRS 2: GOV-1	21a) The number of executive and non-executive members	Section 2.2.2
	21b) Representation of employees and other workers	Section 2.2.2
	21c) Experience acquired by members of the Board of Directors	Section 2.2.2
	21e) Percentage of independent Board members	Section 2.2
	22) Details on the identity and role of administrative bodies	Section 2.1.4
ESRS 2: GOV-2	Information provided to administrative bodies on sustainability matters	Section 2.3.3
ESRS 2: GOV-3	Integration of sustainability-related performance in incentive schemes	Sections 2.6.2.2, 2.6.3.2 and 2.6.5.2
		Sections 1.1.5 and 1.2
ESRS 2: SBM-1	Strategy, business model and value chain	1.2
ESRS 2: GOV-5	Information on risk management and internal controls over sustainability reporting	Section 4.1

Transitional provisions

The Group has decided to adopt some of the transitional measures in the preparation of its Sustainability Statement as set out in ESRS 1. The exemptions under the transitional measures concern the information required on:

- breakdown of total revenues by significant ESRS sector in the absence of a sector-based ESRS standard (ESRS 2 SBM-1);
- anticipated financial effects of material risks and opportunities (ESRS 2 SBM-3);
- anticipated financial effects related to climate change, pollution, resource use and the circular economy as defined in the thematic standards (ESRS E1-9 / E2-6 / E5-6);

- characteristics of non-employee workers in the undertaking's own workforce (ESRS S1-7);
- collective bargaining and social dialogue with employees in non-EEA (European Economic Area) countries (ESRS S1-8);
- social protection (ESRS S1-11);
- percentage of employees with disabilities worldwide (ESRS S1-12);
- training and skills development of employees that participated in regular performance and career development reviews specified in ESRS S1-13 83a;
- Health and safety for points specified by ESRS S1-14 -88d and 88e;
- work-life balance (ESRS S1-15).

5.1.1.2 Corporate Social Responsibility (CSR) governance

5.1.1.2.1 Role and responsibilities of governance bodies

[GOV-1] [GOV-1 20a] [GOV-1 21a, b, c, d, e]

Role and responsibilities of the Board of Directors

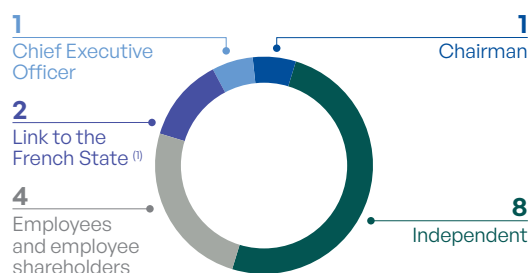
Governance metrics

Safran's Board of Directors has sixteen members, including two Directors representing employees and two Directors representing employee shareholders.

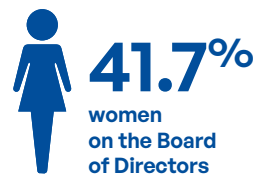
The gender balance is 41.7%⁽¹⁾.

The Board has eight independent members, bringing an independence ratio of 66.7%⁽²⁾.

THE BOARD OF DIRECTORS AT DECEMBER 31, 2024



(1) One representative of the French State appointed by way of a ministerial decree and one Director put forward by the French State and appointed by the Annual General Meeting.



(1) Excluding Directors representing employee shareholders and Directors representing employees, in accordance with the AFEP-MEDEF Code.

(2) Excluding Directors representing employee shareholders and Directors representing employees, in accordance with the AFEP-MEDEF Code.

Directors' expertise and skills

The Directors' wide range of skills and experience, acquired throughout their careers, enables the Board to meet Safran's strategic and performance challenges, including those on sustainability. The specific areas of expertise and skills for each Director are outlined in section 2.2.2 of the Universal Registration Document.

Experience and specific positions exercised by Directors in different sectors and activities	Number of Directors
Aerospace industry	11
Other industries and business sectors	16
Innovation, R&T, development and engineering	13
International career and experience	11
Strategy, competition and M&A	12
Finance and management control	11
Digital – New technologies	5
Corporate officer, governance, management position	16
HR – Sustainability – CSR	13
Climate	8
Sales & marketing experience	6

The Appointments and Compensation Committee and the Board review the skills of each Director each year, as part of the assessment of the Board's performance (see section 2.3.7). The skills recognized when a Director is appointed may evolve during his or her term of office. Therefore, the Appointments and Compensation Committee may be called upon to recognize new skills acquired through advanced training or the performance of external duties or terms of office.

Thirteen directors have been identified as having particular skills or expertise in the field of sustainability/CSR (see details in section 2.2.2). Since 2024, all members of the Board of Directors have taken training in CSR and sustainability. Such training is broken down into several modules: an initial module on sustainability fundamentals and regulations, including the CSRD, followed by specific modules on subjects particularly relevant to each Board member. Climate and human rights were also addressed in 2024. Other modules are planned for 2025, on the circular economy and responsible purchasing. All these modules are available to Directors on-demand.

Details on Directors' training in CSR and sustainability are given in section 2.2.4.2.4 of this Universal Registration Document.

Role of the Board of Directors

[GOV-1 20a]

The Board of Directors approves Safran's overall business strategy set and proposed to it by the executive management teams and oversees its implementation, in accordance with the Company's best interests and taking into account the social and environmental aspects of its activities. Sustainability topics are examined directly by the Board of Directors, and included upstream in the work of all of its specialist committees (Audit and Risk Committee, Innovation, Technology & Climate Committee, Appointments and Compensation Committee).

The Chairman of the Board and the committee chairs draw up their agendas at the start of the year on the basis of their members' input, and adapt them to accommodate requests and needs on the subjects to be addressed. Sustainability topics are reviewed collaboratively by the Board through reports by committee chairs or presentations on specific topics. Each committee reports on its work to the Board of Directors, which may formulate recommendations.

On sustainability information, the Board of Directors reviews ESG topics on the basis of material impacts, risks and opportunities. In accordance with its Internal Rules, it delegates preparatory work on material impacts, risks and opportunities to the Audit and Risk Committee.

The role and work of the Board of Directors and its committees with regard to corporate social responsibility are detailed in sections 2.1.4 and 2.3.3 of this Universal Registration Document.

- The **Innovation, Technology & Climate Committee** monitors objectives, trends, developments, progress and the overall direction of roadmaps concerning challenges that include major environmental topics (CO₂ emissions, hybridization, etc.). Its responsibilities include an analysis of Executive Management's climate action plan and the related information intended for publication by the Company and for presentation to the Annual General Meeting (see section 5.1.2.1.1).
- The **Audit and Risk Committee**, which has overseen sustainability reporting since 2024, is tasked in particular with verifying the process for drawing up the Group's sustainability statements and for monitoring its risk management and internal control systems.

As indicated in section 4.1, the Group Risk and Insurance Director gives twice-yearly presentations to this Committee on the work carried out on identifying risks, as well as the Group's consolidated risk map and associated action plans. The Committee reports to the Board on its risk-related work on the same twice-yearly basis. The Committee's risk review work includes analyzing CSR risks, plus regular focus discussions on the main non-financial risks appearing in the Group's risk map. This Committee also monitors "Compliance & Ethics" topics (see section 5.1.4.3.2), as well as topics related to the EU Taxonomy (see section 5.1.2.4). During 2024, the Committee focused on the following points: (i) the process of drawing up and verifying sustainability information, in particular the review of the double materiality assessment, (ii) the tender process for the sustainability auditors put forward at the Annual General Meeting of May 23, 2024, and (iii) the draft Sustainability Statement.

- As part of its work on remuneration, and in its recommendations to the Board on this, the **Appointments and Compensation Committee** analyzes the Board's needs for specific skills on the matter, as regards annual assessment, appointments and mandate renewals. It factors in the Board of Directors' diversity policy as outlined in section 2.2.4.2 of the Universal Registration Document. The Committee also ensures that

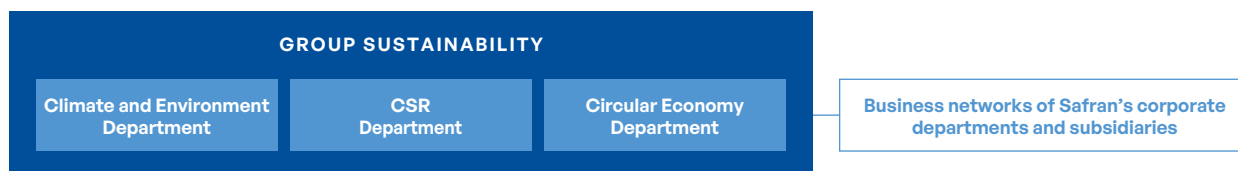
CSR performance targets are properly accommodated in remuneration policies and tools. In line with this, a portion of the Chief Executive Officer's annual variable remuneration is contingent on such objectives. This also applies to performance shares granted under long-term incentive (LTI) plans (see section 5.1.1.2.3).



Role and responsibilities of Executive Management

[GOV-120] [GOV-122a, b, c (i, ii and iii), d]

The Group's sustainability approach is coordinated at the highest level by the Chief Executive Officer and the Executive Committee. The Group Sustainability Department, which is represented on the Executive Committee, covers climate and environment, CSR and circular economy matters.



The sustainability roadmap is presented annually to the Group Executive Committee and to the Board of Directors.

All members of the Executive Committee representing the Group's central departments are responsible for one or more of the roadmap commitments, and for one or more topics relating to material impacts, risks and opportunities (see section 5.1.1.4.1). They oversee the policy, validate targets and monitor the implementation of action plans, procedures and associated control points.

The roadmap is rolled out within each Group company by the business networks concerned (low-carbon networks, energy managers, health, safety & environment (HSE) coordinators, CSR coordinators, etc.). It is also included in the presentation of the Group's strategic challenges to employee representative bodies.

Sustainability topics are taken up by the various committees reporting to the Executive Committee:

■ Climate Steering Committee:

Safran's Climate Steering Committee was created in 2020. Chaired by the Chief Executive Officer, it includes members of the Group Executive Committee representing the main businesses involved in the various aspects of climate action, as well as the CEOs of tier-one entities. Its work is focused on developing Safran's strategy for decarbonizing both the overall aviation industry and its own operations. This Committee met three times in 2024.

■ Group Risk Committee:

The Group Risk Committee is composed of the Chief Executive Officer, who acts as the chair, and the directors of the central corporate departments, and is led by the Group Risk and Insurance Director. This Committee consolidates the work of the main subsidiaries' risk committees on a twice-yearly basis, and reviews the identification, assessment and management of risks, and thereby the efficacy of control over the major risks to which the Group is exposed, including sustainability risks.

■ Compliance, Ethics and Anti-Fraud Committee:

The Compliance, Ethics and Anti-Fraud Committee is tasked with supervising employee respect for the general framework governing compliance with the rules laid out in the Ethical Guidelines and any changes in the system. This Committee is chaired by the Corporate Secretary, but all of the Group's departments are responsible for ensuring that their teams respect the compliance criteria. It draws on the work of the committee dedicated to characterizing whistleblowing reports received (weekly meetings). This Committee meets once every six months.

5.1.1.2.2 Information provided to and sustainability matters addressed by the undertaking's administrative and management bodies

[GOV-2 24, 25, 26a, b, c]

The Board of Directors and its specialist Committees, namely the Audit and Risk Committee, the Appointments and Compensation Committee and the Innovation, Technology & Climate Committee, are regularly kept informed of CSR by Executive Management.

For 2024, the first year of CSRD rollout, the Audit and Risk Committee validated the double materiality analysis and reviewed the list of 14 ESG topics and 42 material IROs for Safran as outlined in section 5.1.1.4.2 below. These IROs are regularly monitored.

The Audit and Risk Committee ensures that material IROs are taken into account and are in line with Group strategy. It also ensures consistency with the risk management process (ERM see section 4.1), and that the effects of these IROs are allowed for in merger and acquisition operations, and in budgetary approaches regarding investments or costs linked to operating expenses.

The agendas of Executive Committee meetings and seminars also include the monitoring of certain key points, linked to challenges and IROs of material importance to the Group, such as the transition plan and health, safety and diversity roadmaps.

In 2024, the Executive Committee monitored the rollout of CSRD requirements, carried out by a multi-disciplinary project team overseen by the Group Finance and Group Sustainability Departments. A steering committee, headed by the Chief Financial Officer and the Chief Sustainability Officer, is responsible for monitoring and validating proper application of CSRD requirements.

The members of the Executive Committee have received the same training as the directors in CSR fundamentals.

5.1.1.2.3 Integration of sustainability-related performance in incentive schemes

[GOV-3]

Safran has set up a system of variable remuneration for its executives, based on financial and non-financial targets.

Several sustainability-related metrics determined in line with the Group's objectives have been included in the Chief Executive Officer's annual variable remuneration and 2024 long-term incentive plan (see details in section 2.6.2.2 of the Universal Registration Document).

The Board of Directors is responsible for determining the remuneration of the Chief Executive Officer, on the recommendation of the Appointments and Compensation Committee.

Annual variable remuneration

The Chief Executive Officer's annual variable remuneration is contingent on achieving economic and individual, financial and non-financial, quantitative and qualitative performance objectives, which are aligned with the Group's overall business. Specific CSR objectives accounted for 35% of the objectives set for the Chief Executive Officer's annual variable remuneration for 2024.

For a detailed analysis of the structure and amounts of the Chief Executive Officer's remuneration, see section 2.6.2.2, "Compensation policy for the Chief Executive Officer" and section 2.6.3.2, "Compensation and benefits of the Chief Executive Officer for 2024".

Long-term incentive

The vesting of all of the performance shares granted to the Chief Executive Officer, as well as to the members of the Executive Committee and other senior executives, is subject to the achievement of internal and external performance conditions, including conditions related to non-financial performance.

The internal conditions relating to non-financial performance count for 20% of the total vested shares. The non-financial conditions relate to CSR and sustainability objectives. The conditions, defined by the Board of Directors prior to the grant date, could take into account the Group's medium-term priorities or strategic challenges on these topics

They will be quantifiable or measurable, making it possible to objectively monitor them and identify the actual achievement rate at the end of the performance period. When the Board of Directors grants performance shares, these conditions are communicated along with their respective weightings and other essential parameters.

For example, they can be based on targets related to:

- environmental and climate topics (such as the reduction of CO₂ emissions);
- gender equality (such as the proportion of women senior executives); and
- safety (such as reducing the lost-time accident frequency rate).

The main features of long-term remuneration schemes, the specific objectives and performance metrics linked to sustainability, and the process for setting these metrics are set out in the remuneration policies as outlined in section 2.6.2.2 of the Universal Registration Document.

5.1.1.2.4 Statement on duty of care

[GOV-4]

In accordance with French law no. 2017-399 of March 27, 2017 on the duty of care, Safran implements, through its duty of care plan, measures for identifying, analyzing and prioritizing risks, and for preventing serious violations of human rights and fundamental freedoms, personal health and safety, and the environment, related to the Group's own activities and those of its suppliers and subcontractors with which a business relationship is established.

When the Group cannot remedy all risks at once, prevention and mitigation measures are prioritized according to the impact and likelihood of the risks for potentially affected stakeholders and the environment. These measures are consistent with those

resulting from the methodology and work of the Enterprise Risk Management (ERM) system (see section 4.1). The Group's duty of care plan specifies the following measures:

- a risk map for identifying, analyzing and prioritizing risks;
- procedures for regularly assessing, with regard to the risk map, the situation of subsidiaries, subcontractors and suppliers with which there is an established business relationship;
- appropriate programs to mitigate risks or prevent serious harm or damage;
- a warning mechanism and the collection of reports on the existence or occurrence of risks;
- a system for tracking the measures taken and assessing their effectiveness.

Existing tools	Information contained in the duty of care plan
Code of Ethics	■ Ethical Guidelines ■ Safran Responsible Purchasing Guidelines ■ Fair and Equal Culture Policy
Human Rights Policy	■ Group Human Rights Policy ■ Global CSR framework agreement signed with the IndustriALL Global Union and representatives of the French metalworking federations of the CFE-CGC, CFDT and CGT-FO unions ■ Gender Equality European & International Standard (GEEIS) label ■ Diversity charter ■ The Group's duty of care plan is based on the guiding principles of the Organization for Economic Cooperation and Development (OECD), the fundamental conventions of the International Labor Organization (ILO), the United Nations Global Compact and its ten human rights principles, the United Nations International Bill of Human Rights, and the UN Sustainable Development Goals.
Whistleblowing policy	In accordance with its Ethical Guidelines (see section 3.2.3.i), Safran has set up a whistleblowing system at Group level which complies with the applicable legal requirements, including those related to the duty of care. The issues that may be reported under this system include: ■ any fraud or attempted fraud; ■ any conduct or situation contrary to Safran's code of conduct for the prevention and detection of acts of corruption; ■ a situation that poses threat to, or could cause serious prejudice to, the general interest; ■ any serious and manifest violation of applicable laws and regulations, notably those bearing on human rights and fundamental freedoms, including discrimination of any kind, issues relating to health, personal safety and the environment. The Group's whistleblowing system is available in all languages (language to be selected by the whistleblower) and the reports can be made on an anonymous basis. The system can be accessed by all of the Group's payroll employees, as well as by external stakeholders, such as temporary workers, customers and suppliers. All whistleblowing reports are analyzed by a special committee and this is then followed by an investigation procedure. Where necessary, appropriate measures are taken and implemented, and disciplinary action may be taken. Details about the whistleblowing system are available to employees via the Group intranet, and to all suppliers via the Safran Responsible Purchasing Guidelines, and to all other stakeholders via the Group's corporate website.

Core elements of due diligence	Paragraphs in the Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	See governance system outlined above
b) Engaging with affected stakeholders in all key steps of the due diligence	Please refer to the following paragraphs: IRO-1 referred to in standards E1, E2, E5 and SBM-2 of thematic standards S1, S2, S4 and G1-1
c) Identifying and assessing negative impacts	Please refer to the following paragraphs: IRO-1 referred to in standards E1, E2, E5, G1 and SBM-2 & SBM-3 of thematic standards S1, S2, S4 and G1-1
d) Taking actions to address those adverse impacts	Please refer to the following paragraphs: E1-2 & E1-3, E2-1 & E2-2, E5-1 & E5-2 as well as S1-1 to S1-4, S2-1 & S2-3 to S2-4, S4-1 & S4-4 and G1-2, G1-3
e) Tracking the effectiveness of these efforts and communicating	Please refer to paragraphs: E1-4 to E1-8, E2-3 to E2-5, E5-3 to E5-5 as well as S1-5 to S1-9 and S1-10 to S1-17, S2-5, S4-5, G1-2 to G1-6

5.1.1.2.5 Risk management and internal controls over sustainability reporting

[GOV-5]

Risk management

Risks regarding sustainability topics are addressed in the Group's overall risk management process, which includes a specific risk governance and management framework (see section 4.3 "Risk factors" of the Universal Registration Document for further details).

Internal control

For this first year of sustainability reporting, Safran has strengthened its internal control system, as detailed in section 4.2, by:

- setting up a Group procedure for drafting the Sustainability Statement, detailing the steps involved in conducting the double materiality analysis and drafting the Sustainability Statement;
- documenting the process for collecting non-financial metrics (including an inventory of existing collection processes and the players involved within the business departments);
- updating the job descriptions in line with the new CSRD requirements;
- phasing in the Sustainability Statement as part of the Group's internal control framework.

The short-term roadmap seeks to enhance the reliability of information through the rollout of business-specific control points.

Methodology for assessing sustainability reporting risks

Safran takes into consideration various risks concerning the completeness and integrity of data, the accuracy of results and estimations, and the availability of data across the value chain.

The accuracy of conclusions drawn from estimated data on the value chain may vary with the data collection methods used, the assumptions made, and the data sources themselves.

To prepare this first Sustainability Statement, Safran collected more detailed data than for the 2023 Non-Financial Information Statement, for reasons of completeness, reliability and integrity, and used estimates where necessary. Safran has also initiated a process of continuous improvement in the quality of data supplied by actors in the value chain both upstream and downstream.

5.1.1.3 Strategy, business model and CSR policy

5.1.1.3.1 Business model, CSR policy and value chain

[SBM-1]

Safran's business model

Safran is an international high-technology group, operating in the aviation (propulsion, equipment and interiors), defense and space markets. Its core purpose is to contribute to a safer, more sustainable world, where air transport is more environmentally friendly, comfortable and accessible. Safran undertakes research and development programs to maintain the environmental priorities of its R&T and Innovation roadmaps. Driven by this clear mission of contributing to a safer, more sustainable world, Safran has built its business model on innovation, quality and environmental and social responsibility.

At December 31, 2024, Safran had approximately 103,000 employees⁽¹⁾, mostly located in Europe (62%, including 52% in France), the Americas (26%), Africa and the Middle East (7%), and Asia-Oceania (5%).

The main product lines and/or services offered, and the main markets and/or customer groups, are detailed in section 1.2 of the 2024 Universal Registration Document.

(1) Employees for the purpose of the CSRD include permanent employees and temporary employees, i.e., 99,364 employees, as well as work-study students (3,474 people) and postgraduate students under industrial training-through-research agreements (CIFRE) (220 people).

SAFRAN'S BUSINESS MODEL

RESOURCES

A PORTFOLIO OF ACTIVITIES
ALIGNED WITH MARKET NEEDS

- **50%** Aerospace Propulsion
- **39%** Equipment & Defense
- **11%** Aircraft Interiors

RELEVANT AND
DIFFERENTIATING SOLUTIONS

- Among the top three patent filers in France over the past ten years

A RESILIENT BUSINESS MODEL

- **50%** aftermarket activities

AN AMBITIOUS CSR POLICY

- Act for the environment
- Be an exemplary employer
- Embody responsible industry

CLIMATE TARGETS
VALIDATED BY SBTiCOMMITTED
AND TALENTED EMPLOYEES

- **An estimated 100,000** employees
- **29 training hours** on average per year per employee

A SOLID FINANCIAL
POSITION

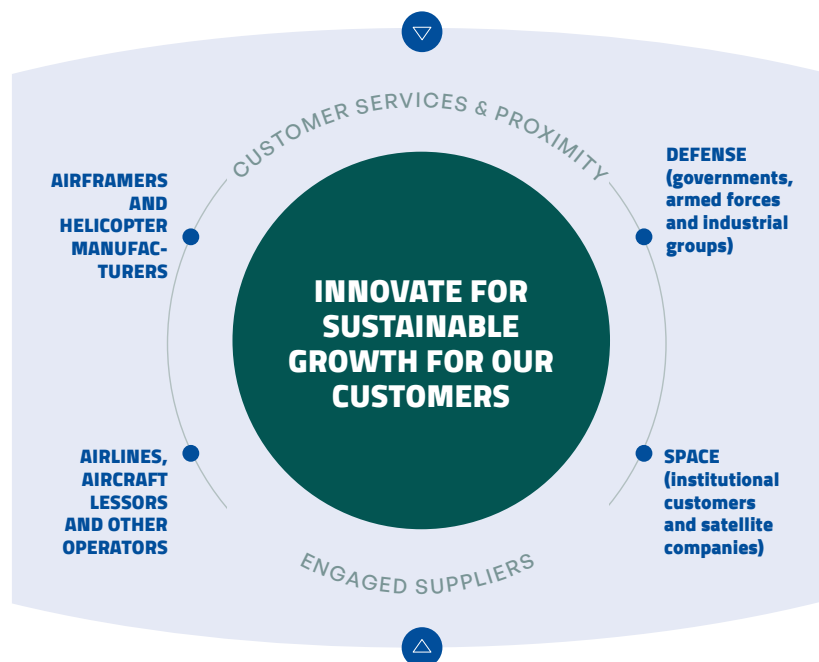
STRATEGY

Ensuring flight safety, customer satisfaction
and well-being in the workplace

STRATEGIC FOCUSES

Decarbonize
products and
operations

Strengthen role
in sovereignty



Stepping up
sustainable
innovation

**Strengthening operational
excellence** by leveraging
digital technology and
artificial intelligence

MAJOR ASSETS

MACROTRENDS



Growth
in air traffic

VALUE CREATION

CUSTOMERS

- **€27.3 billion** (2024 revenue)
- Safe, reliable, available, efficient, innovative and competitive products and services

EMPLOYEES

- **€7.8 billion** (2024 personnel costs)
- Attractive working conditions and social model including value-sharing

SUPPLIERS

- **€16 billion** (2024 purchases)
- Sustainable procurement and supplier relations label

SHAREHOLDERS

- TSR⁽¹⁾ 2005-2024: **up 14.5%** a year
- 2024 dividend (paid in 2025): **€2.90**/share*

GOVERNMENTS

- **€1 billion** (current tax expense 2024)
- The world's best technology serving **national, European and allied sovereignty** and French nuclear deterrence

INVESTMENTS FOR FUTURE GROWTH

- **5%** of revenue invested in self-funded R&D in 2024
- **88%** of self-funded R&T spend allocated to environmental efficiency
- **€1 billion** in capital expenditure

(1) TSR: Total Shareholder Return

CONTRIBUTION
to the UN SDGs

* Subject to shareholder approval at the Annual General Meeting of May 22, 2025.

A detailed presentation of Safran's business model is given in the Universal Registration Document, section 5.1.1.3

Decarbonization
of aviation

Defense/sovereignty
global dynamic

CSR policy

Safran's CSR policy, overseen at the Group's highest governance level, is the outcome of joint work with stakeholders and reflects the Group's core purpose. It was updated in 2024, with

commitments reorganized into three main areas and the consistent goal of driving Group strategy and business model toward both profitability and responsibility.

SUSTAINABLY CHANGING AVIATION, CONTRIBUTING TO A SAFER WORLD

ACT FOR THE ENVIRONMENT

1. Decarbonize aeronautics
2. Respect the environment and natural resources
3. Promote the circular economy

BE AN EXEMPLARY EMPLOYER

4. Ensure health and safety of employees, improve the quality of life at work and maintain a thriving social dialogue
5. Continue developing skills and support our local communities
6. Encourage equal opportunities and foster inclusion and diversity

EMBODY RESPONSIBLE INDUSTRY

7. Uphold exemplary ethics and ensure respect for human rights
8. Strengthen responsible practices in our supply chain and support our suppliers
9. Be at the forefront of innovation and foster partnerships for training and research

An approach backed by internal and external reference frameworks

United Nations Global Compact and Sustainable Development Goals

Safran became a signatory to the United Nations Global Compact in 2014. The Global Compact comprises ten principles relating to respect for human rights, international labor standards, the environment and the fight against corruption.

This voluntary membership implies adherence to and promotion of these universal principles in its practices. The Group's Chief Executive Officer assumes direct responsibility for this commitment.

Safran certifies the effective implementation of these principles by posting a Communication on Progress (CoP) on the United Nations Global Compact website each year. The Group is classified as Advanced in the CoP reporting framework, the highest standard in terms of CSR performance.

Safran's CSR policy is part of the global contribution to the achievement of the Sustainable Development Goals (SDGs) set by the United Nations for 2030.

Global Framework Agreement on Corporate Social Responsibility

Safran reaffirmed its commitment to CSR by renewing and strengthening its global framework agreement in 2023. Signed with the IndustriALL Global Union, this agreement was ratified by representatives of the CFE-CGC, CFDT and CGT-FO French metalworking federations.

It renews and extends the initial commitments made in 2017. It applies to all companies in all countries where the Group operates, as well as to all employees, and covers relations with suppliers, taking into account social and environmental developments while respecting cultural, social and economic diversity.

Its key objectives are to:

- place the Group's social responsibility policy within a negotiated framework in accordance with international labor conventions;
- reaffirm Safran's commitment to combating climate change and preserving the environment;
- continue to implement the Group's human resources policy, which emphasizes the development of talents and skills, as well as quality of life and well-being at work, while promoting diversity and equal treatment;
- guarantee rights to employee representation, in particular trade union rights, as well as the rights associated with freedom of negotiation and social dialogue;
- reassert Safran's commitments to ethical business conduct towards third parties, to combat corruption of all forms. Safran cultivates employee awareness on this endeavor through appropriate communication resources and training;
- ensure that respect for fundamental rights is a key criterion in the selection and evaluation of suppliers, subcontractors and service providers;
- take into account the impact of its activities: encourage the use of local human resources to fill available positions wherever possible in each host country.

Safran’s value chain

Safran’s value chain covers all the essential stages of value creation, from research and development through to production, assembly, marketing, distribution and aftersales service. Each step in this process is crucial to ensuring the

production of advanced technologies and products of the highest quality and safety, while meeting rigorous sustainability and performance criteria.

Safran relies on a solid network of suppliers carefully selected according to precise criteria on quality, cost and sustainability.

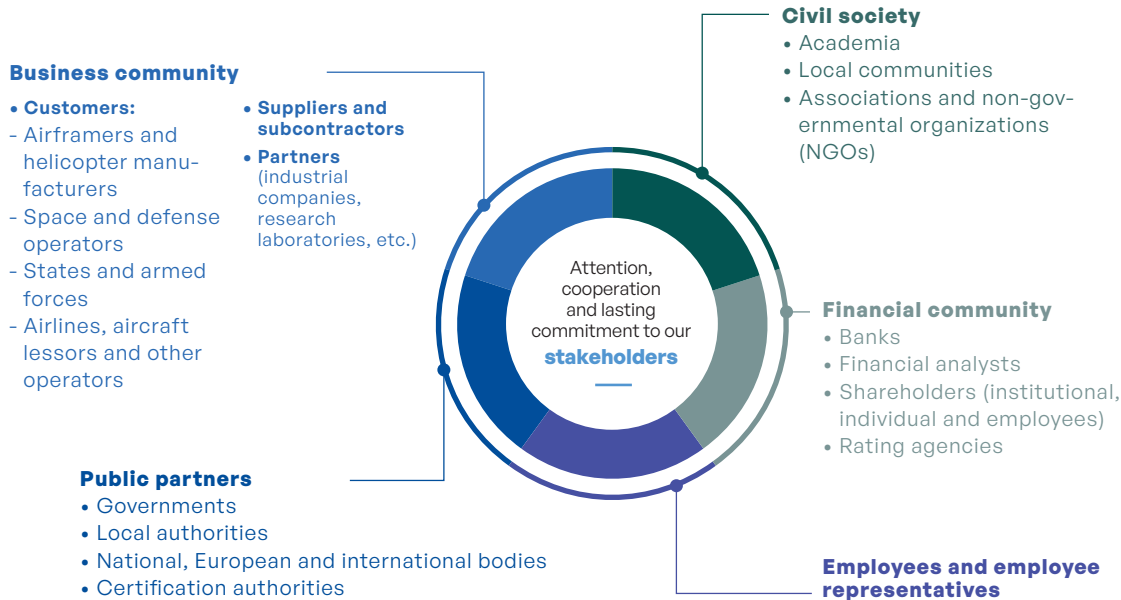


5.1.1.3.2 Interests and views of stakeholders

[SBM-2]

The Group takes its stakeholders’ expectations into account in constructing, deploying and improving its CSR policy. Listening to stakeholders is key to ensuring sustainable growth and long-term value creation.

The Group ensures that stakeholders’ views and interests concerning its activities are regularly communicated to the Board of Directors, notably through the work of its committees.



SAFRAN STAKEHOLDERS

BUSINESS COMMUNITY

MAIN EXPECTATIONS

- **Customers:** safe, reliable, available, efficient and innovative products and services, plus CSR commitments made across all the Group's businesses
- **Suppliers and subcontractors:** relationships rooted in trust, shared long-term vision, and the fulfillment of reciprocal commitments, including CSR commitments
- **Partners:** pursuit of continuous innovation and protection of their intellectual property

MAIN DIALOGUE CHANNELS

- **Customers:**
 - Satisfaction survey
 - Exchanges and customer meetings
 - Ethics whistleblowing channel
- **Suppliers and subcontractors:**
 - General purchasing conditions
 - Responsible purchasing charter
 - EcoVadis evaluations
 - Safran Supplier Days
 - Ethics whistleblowing channel
- **Partners:**
 - Presence in national, European and international aeronautical bodies
 - Representations at partner schools & universities

PUBLIC PARTNERS

MAIN EXPECTATIONS

- Ethical business conduct, social commitments both within and outside the Company
- Safe products that comply with standards
- Contribution to implementation of the European Green Pact in the aviation sector, and to the carbon neutrality goal of the International Civil Aviation Organization (ICAO), through the development of innovative technologies

MAIN DIALOGUE CHANNELS

- Directors with a link to the French State
- Institutional relations, France, Europe and International
- Dialogue with certification bodies
- Compliance program

EMPLOYEES AND EMPLOYEE REPRESENTATIVES

MAIN EXPECTATIONS

- Rewarding career paths, with regular skills development
- Consideration given to the impact of rising inflation on employees' living conditions
- Strong focus on quality of life at work, including working conditions, health and safety
- Strong commitment to decarbonizing the aviation sector
- Compliance with national and international labor conventions

MAIN DIALOGUE CHANNELS

- Orientation days for new employees
- Safran Intranet
- Annual reviews
- Department meetings, social observatories, employee surveys
- Whistleblowing channel, Group reporting system
- Social & Economic Committee, Group Committee, European Works Council, Group trade union coordinators, monitoring committee for global CSR agreement
- Employee surveys

CIVIL SOCIETY

MAIN EXPECTATIONS

- Training for young people and exchanges between academic and business worlds to promote aerospace industry professions
- Interactions between companies and academia on the energy transition
- Consideration of environmental, social and societal challenges in the Group's strategy and throughout the value chain

MAIN DIALOGUE CHANNELS

- Website and publications
- Trade fairs, conferences, etc.
- School forums
- Network of school ambassadors
- Bilateral meetings with NGOs

FINANCIAL COMMUNITY

MAIN EXPECTATIONS

- Attractive value creation
- Transparency in the management of the Company, compliance with our financial and non-financial commitments, the medium- and long-term strategy and their implementation, and consideration of CSR criteria

MAIN DIALOGUE CHANNELS

- Board of Directors with board committees: Audit and Risk Committee, Compensation Committee, Innovation, Technology & Climate Committee.
- Annual General Meeting
- Responses to questions from financial analysts and rating agencies
- Investor meetings (investor exchanges, governance roadshow, Capital Markets Day)

5.1.1.4 Safran ESG topics

5.1.1.4.1 Description of the methodology for identifying and assessing material impacts, risks and opportunities

[IRO-1]

Under application of the European CSRD directive, from September 2023 to March 2024, Safran carried out a double materiality analysis of its IROs, broken down by major topic.

To carry out this double materiality analysis, Safran opted for joint management by its Group Finance and Group Sustainability Departments. A steering committee comprising the key business functions (CSR, Risk and Insurance, Finance, Strategy) was set up, meeting monthly to validate the key stages of the process (list of topics IRO ratings, etc.). Safran also received support from a specialist external consultancy.

The process followed is shown below:



Stage 1: Preliminary review: identification of the main ESG topics and ensuing IROs

This first stage involved identifying the Group's main ESG topics. There were two objectives here:

- **determine topics on all relevant points:** environmental, social, governance;
- **determine topics** across the value chain, in three categories: upstream, downstream and own operations.

The topics were identified through analysis of information from various sources:

1. Safran's "single" materiality analysis, carried out in 2015 and updated in 2019, with nine major topics selected;
2. the Group's risk management system (ERM);
3. findings from the gap analysis carried out during the first half of 2023 on the shortfall between policy, action plan and metrics available at Safran and the expectations of initial and final versions of the ESRS (in particular ESRS E1 AR 16);
4. benchmark data provided either by an external consulting firm (competitive and sector benchmarks), based on feedback from other materiality analysis assignments (single or double), or through Safran's inter-industry exchanges in working groups (through GIFAS, AFEP, MEDEF, etc.).

For each topic identified, a name, definition, examples and illustrations were listed. The 23 topics in the resulting list were then rated in an initial series of interviews with internal and external stakeholders.

Some topics were merged and reformulated on the basis of input from interviews during this initial rating phase. The result was a new, tighter, list of 14 topics, covering all the IROs and subjects discussed during the stakeholder interviews.

Stage 2: Stakeholder consultation

Safran's double materiality exercise called upon input from both internal and external stakeholders. In line with CSRD principles, the aim was to cover the entire value chain, with all the company's stakeholders.

The panel would therefore include representative internal and external stakeholders. 47 interviews were conducted, of which 32 with internal stakeholders and 15 with external stakeholders:

- **internal stakeholders:** members of the Executive Committee, representatives of Group departments, employee representatives, and certain members of the Board of Directors;

- **external stakeholders** representing the value chain:
 - business community (customers, suppliers and subcontractors, technology partners),
 - public partners (state, professional federations),
 - civil society (non-governmental organizations (NGOs), academia, thematic experts),
 - financial community (institutional investors).

The aim of these interviews was twofold:

- to produce a quantitative rating of impact and financial materiality for the various topics in order to prepare the IRO rating required by the CSRD;

- to gather illustrative and representative data on the Group's topics for full inclusion in CSR policy and management.

This exercise also enabled us to identify topics specific to the Group, in areas where CSRD sector standards have not yet been published.

The 14 following ESG topics were thus considered relevant, and aligned with the ESRS thematic standards, with the exception of "Innovation, support to research and scientific partnerships", which was considered specific to Safran:

	Safran topics	ESRS	Excom sponsors
Environment	1. Climate and decarbonization challenges (mitigation and adaptation)	ESRS E1 Climate change	Chief Sustainability Officer
	2. Access to raw materials and circularity of products and services	ESRS E5 Resource use and circular economy	Chief Sustainability Officer
	3. Management of pollution, waste and substances of concern	ESRS E2 Pollution	Chief Sustainability Officer
Social	4. Health and Safety & Quality of life at work	ESRS S1 Own workforce	Executive VP Corporate Human and Social Responsibility
	5. Diversity and inclusion		
	6. Attract & retain talent and develop skills		
	7. Quality of social dialogue	ESRS S4 Consumers and end-users	Executive VP Industrial, Purchasing and Performance
	8. Quality, safety of sold products and services		
	9. Customer relations and customer satisfaction		
Governance	10. Respect human rights	ESRS S2 Workers in the value chain	Corporate Secretary
	11. Innovation, support to research and scientific partnerships	Entity-specific	Executive VP, Strategy and Chief Technology Officer
	12. Resilience and ESG performance of the supply chain	ESRS G1 Business conduct	Executive VP Industrial, Purchasing and Performance
	13. Regulatory compliance and business ethics		Corporate Secretary
	14. Cybersecurity and protection of personal data		Executive VP, Chief Digital Officer and Chief Information Officer, and Corporate Secretary

Stages 3 and 4: Review and rating of material IROs on ESG topics

The identification of key topics for the Group enabled it to fine-tune the list of IROs. On the basis of the illustrations and explanations produced, the IROs were reformulated to enable full accommodation to the Safran context. This work was carried out using the tools and IROs (bank of IROs) of the consulting firm supporting Safran, to cover the full range of topics. On completion of this initial work on coupling ESG topics with IROs, a second review was carried out to fine-tune them to the Group context (reformulation) and identify duplicates and mirror IROs.

Once this final list had been drawn up, the IROs were rated to confirm first their materiality and then the materiality of the associated topic. This rating was made on a "rough" basis, prior to Safran mitigation measures.

The rating criteria listed in ESRS 1 for impact materiality and financial materiality were applied to each of the IROs:

- proximity (direct or indirect);
- potentiality (actual or potential);
- time horizon (short-, medium- or long-term);
- probability (low, medium, high, very high) for potential IROs only.

For risks and opportunities (financial materiality):

- financial impact (low, moderate, high or critical).

For impacts (impact materiality):

- magnitude (minimal, moderate, high or critical);
- scope (limited, medium, widespread or global).

For negative impacts only:

- irremediability (rating ranging from very easy to correct to not remediable).

For rating purposes, impact materiality and financial materiality were assessed to the thresholds (from 1 for low materiality to 4 for critical materiality) set by Safran, in line with those used internally by the Risk and Insurance Department.

The double materiality analysis concluded that 42 IROs were material, confirming the relevance of 14 ESG topics for Safran. Through this process, the Group assures all its stakeholders and its value chain that full attention is given to a very broad spectrum of ESG topics the purpose being to minimize its negative impact on the environment and on people, and also to take advantage of the opportunities opened by these topics for its business.

Take-up of material IROs by Safran's governance bodies

[GOV-3]

The IRO rating and final list of material IROs were reviewed and validated by the Group's central department managers across their respective areas of responsibility, as shown in the table of topics above.

The list of topics and associated IROs were also submitted to and validated by the Group Executive Committee, then by the Board of Directors after review by the Audit and Risk Committee (see section 4.1.3).

5.1.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model

[SBM-3]

With regard to the ESG topics and the 42 impacts, risks and opportunities identified, the Group considers that the current and expected effects of these impacts, risks and opportunities, which are important for its business model and value chain, are well presented and reflected in the three areas of CSR policy presented in section 5.1.1.3.1 above, and are integrated into its decision-making process.

Safran's ESG topics

ESRS	Topics	Value chain (upstream, own operations, downstream)	Number of IROs	Type of IROs	SDGs	Safran's CSR focuses
ENVIRONMENT						
Climate (E1)	Climate and decarbonization challenges (mitigation and adaptation)		9	9 Risks 5 Negative impacts	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Act for the environment
Circular economy (E5)	Access to raw materials and circularity of products and services		1		7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY INNOVATION AND INFRASTRUCTURE	
Climate (E1) Pollution (E2)	Management of pollution, waste and substances of concern		4		6 CLEAN WATER AND SANITATION 15 LIFE ON LAND	
SOCIAL						
Own workforce (S1)	Health and safety & Quality of life at work		5	8 Risks 2 Positive impacts 6 Negative impacts	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION	Be an exemplary employer Embody responsible industry
Own workforce (S1)	Diversity and inclusion		1		5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	
Own workforce (S1)	Attract & retain talent and develop skills		3		10 REDUCED INEQUALITIES	
Own workforce (S1)	Quality of social dialogue		1			
Consumers and end-users (S4)	Quality, safety of sold products and services		3			
Consumers and end-users (S4)	Customer relations and customer satisfaction		1			
Workers in the value chain (S2)	Respect for human rights		2			
GOVERNANCE						
Entity-specific	Innovation, support to research and scientific partnerships		3	6 Risks 1 Opportunity 2 Positive impacts 3 Negative impacts	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH	Embody responsible industry
Business conduct (G1)	Resilience and ESG performance of the supply chain		4		9 INDUSTRY INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
Business conduct (G1)	Regulatory compliance and business ethics		2		16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	
Business conduct (G1)	Cybersecurity and protection of personal data		3			

Description of material impacts, risks and opportunities

ESRS #	IROs	Description	Type	Time horizon
Topic 1. Climate and decarbonization challenges (mitigation and adaptation)				
E1	Business disruption due to climate-related events affecting infrastructure and the value chain, resulting in service interruption risk	Disruption to the production or marketing of products and services due to extreme weather events in the value chain, with direct and indirect impacts on the company's operations.	 Physical	ST
E1	Inability to meet stakeholder expectations and reputational damage in the event of failure to meet climate commitments or lack of ambition in the decarbonization strategy	Deterioration of relationships with the different stakeholders, as decarbonization is central to Safran's communicated strategy, with significant consequences for the company's operations.	 Transition	LT
E1	Increased energy costs, especially for low-carbon energy	Additional costs in the event of an increase in the cost of the energy required for the Group's operations and its value chain, particularly in the transition to low-carbon energy sources, which may be volatile or require additional investment.	 Transition	ST
E1	Compliance costs and penalties in the event of failure to meet or comply with climate-related commitments and regulations	Fines and litigation costs in the event of failure to comply with international climate and energy performance commitments and agreements, or due to the entry into force of new laws. Write-offs, asset impairments or early retirement of existing assets due to the tightening of climate change mitigation regulations.	 Transition	MT
E1	Uninsurability of operations due to climate-related risks	Absence of insurance coverage for the Group or reduction of its coverage and/or increased insurance costs for operations in countries highly exposed to the consequences of climate change.	 Physical	LT
E1	Endangerment of value chain workers at sites exposed to the effects of climate change	Endangerment of value chain workers at sites exposed to the effects of climate change.	 I-	LT
E1	Amounts invested in decarbonization and financial losses due to decisions to invest in unsuitable technologies	Amounts invested in innovation and R&T to decarbonize own operations and the sector, financial risks associated with investments in disruptive technologies that may prove unsuitable, and other costs incurred to decarbonize own operations and the value chain, and to implement proactive measures to reduce the carbon footprint of the value chain.	 Transition	LT
E1	Contribution to climate change through Group and sector GHG emissions (Scopes 1, 2 and 3)	Negative environmental impacts related to the GHG emissions of the Group and its value chain, both now and in the future, if the decarbonization pathway and climate change mitigation measures prove insufficient or ineffective (Scopes 1, 2 and 3).	 I-	ST
E1	Slower air traffic growth due to rising ticket prices, stricter regulations, higher taxes and changing consumer habits	Slower air traffic growth due to behavioral changes in certain geographic areas or stricter regulations. Implementation of regulations unfavorable to commercial and business aviation.	 Transition	ST
Topic 2. Access to raw materials and circularity of products and services				
E5	Investment to transition the Group to a circular model	Transitioning to a circular economy model requires investment in various initiatives. Failure to mitigate this risk could require Safran to reposition itself within the supply chain in order to implement more circular practices.	 R	MT
Topic 3. Management of pollution, waste and substances of concern				
E2	Additional costs related to the substitution of certain chemical substances used in the product manufacturing process	Risk associated with the investment required to substitute certain chemical substances of concern or very high concern and to comply with regulatory requirements.	 R	ST
E2	Endangerment of worker and public health in the event of chemical discharges	Negative impact on the health of local populations in the event of chemical discharges in the vicinity of industrial sites (depending on the hazardous substances used), contributing to the occurrence of respiratory problems/diseases, cancers, premature deaths or other public health consequences.	 I-	ST
E2	Disruption of natural ecosystems due to pollution caused by Safran products	Disruption of natural habitats, cycles and behaviors, with an adverse impact on the health of species and negative consequences for flora and other ecosystems.	 I-	ST
E2	Effects on human health due to pollution caused by Safran products	Negative impact on the health of local communities, employees, value chain workers, customers and consumers in the event of pollution caused by the equipment built.	 I-	ST

 Positive impact;  Negative impact;  Risk;  Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

ESRS #	IROs	Description	Type	Time horizon
Topic 4. Health and safety & Quality of life at work				
S1	Business disruption, loss of performance and productivity due to the deterioration of working conditions at Group sites	Slowdowns, business interruptions or reduced productivity and attractiveness related to an increase in workplace accidents and occupational illnesses (severity and frequency) among employees and non-employees working on-site, with additional costs associated with resolving such incidents.	R	LT
S1	Penalties, legal action, compensation costs and business continuity risks in the event of failure to comply with occupational health and safety agreements and regulations	Criminal or administrative penalties, fines, legal action and litigation costs in the event of accidents, non-compliance with occupational health and safety regulations or a deterioration in the quality of life at work jeopardizing the health and safety of employees. Compliance costs related to occupational health and safety regulations. Business disruption or interruptions if sites are ordered to stop, slow down or modify their operations due to major non-compliance with occupational health and safety regulations.	R	ST
S1	Deterioration of the physical and mental health of employees due to poor working conditions or inadequate social protection	Endangerment of the physical and mental health and safety of employees. Impact of poor working conditions on employee satisfaction and increased absenteeism, affecting overall team well-being. Inadequate or non-existent social protection, particularly for vulnerable employee groups.	I-	ST
S1	Failure to respect the human rights of employees in the event of discriminatory practices or harassment in the workplace	Violation of the rights of employees subjected to discrimination or harassment in the workplace or in connection with their professional activity.	I-	ST
S1	Deterioration of employee health and well-being in the event of high turnover	Deterioration of employees' working conditions due to retention difficulties, leading to team disruption and longer onboarding and training periods for new employees, and affecting their motivation and commitment at a time of high activity.	I-	ST
Topic 5. Diversity and inclusion				
S1	Damage to the employer brand and reputation due to a lack of diversity or proven or suspected incidents of discrimination or harassment	Difficulty in attracting and retaining talent in the absence of diversity and inclusion policies aligned with employee expectations, deterioration of workplace relations and loss of trust in management if preventive and corrective measures are not adopted. Deterioration of relationships with external stakeholders: damage to the company's image within the sector and in the media in the event of proven or suspected incidents of discrimination or harassment within the Group.	R	MT
Topic 6. Attract & retain talent and develop skills				
S1	Socio-economic benefits for local communities through the maintenance or consolidation of local economic activity	Positive repercussions of the revitalization of regional economies and local communities, direct and indirect job creation, and action against regional desertification, industrial sites or commercial businesses that can drive employment in the region and create value for their ecosystem, skills development and stimulation of research and development in the region, and development and strengthening of the social fabric through support for projects and social initiatives that foster social cohesion.	I+	ST
S1	Development of the employability of employees and value chain workers through the Group's training activities	Development of the employability of employees through the high-level training offered by the Group, mobility opportunities within the Group, and the certifications awarded. Contribution to the upskilling of sector workers (upstream and downstream) and their employability and mobility, made possible indirectly by Safran's training efforts. Contribution to greater professional stability for employees and value chain workers by guaranteeing them a level of training that allows them to secure sustainable employment and a satisfactory wage.	I+	ST
S1	Decline in the Group's attractiveness in the event of a deterioration in the image of the aviation sector	Increased recruitment difficulties related to perceptions of the aerospace industry, perceptions being an important driver of attractiveness for young talent, affecting the Group's performance if the aviation sector fails to address current challenges, thereby casting doubt on its viability.	R	LT
Topic 7. Quality of social dialogue				
S1	Disruption or even interruption of operations in the event of a deterioration in social dialogue	Slowdown, disruption or even stoppage of operations due to social unrest, resulting in a decline in productivity. Additional costs and lost revenue in the event of business interruption, management of production and delivery delays, customer compensation, etc.	R	ST

⬆ Positive impact; ⬇ Negative impact; ⚠ Risk; 🌱 Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

ESRS #	IROs	Description	Type	Time horizon
Topic 8. Quality, safety of sold products and services				
S4	Reputational risk associated with the endangerment of the users of the goods and services sold	Damage to the Group's image and loss of stakeholder confidence in the event of perceived or proven risks to the health and safety of the passengers and end-users of Safran products and services. Difficulties in securing financing from banks and other financial institutions in the event of a major incident related to the use of products and services. Downgrading of the Group's non-financial ratings.	R	ST
S4	Financial risk associated with the consequences of mishandling a product safety incident or failure	Criminal or administrative penalties, fines, legal action and litigation in the event of the endangerment of consumers and users of the products and services sold. Business disruption or interruption if sites are ordered to stop, slow down or modify their operations due to major non-compliance with product and service safety and quality regulations.	R	ST
S4	Exposure of users to risks to their safety in the event of product or service failure	Accidents, serious injury or loss of life due to mechanical failure of aerospace or aviation equipment, lack of product maintenance or verification, design/manufacturing defects in the Group's products and services, or non-compliance with aerospace regulations.	I-	ST
Topic 9. Customer relations and customer satisfaction				
S4	Financial risk associated with the deterioration of customer relationships and investor expectations	Stock market volatility, reduced availability of capital and reduced investor interest due to poor customer relationship management or insufficient measures taken by the Group to ensure customer satisfaction, leading to a loss of confidence among financial stakeholders.	R	ST
Topic 10. Respect for human rights				
S2	Violations of the human rights of value chain workers in the event of failure in the Group's monitoring processes	Ineffectiveness or non-existence of prevention and control measures leading to the discovery of serious violations of the human rights of value chain workers attributable to the Group or its suppliers and subcontractors.	I-	ST
S2	Violations of value chain workers' freedom of association and collective bargaining rights	Failure to respect the rights of value chain workers to freedom of association or to recognize their right to collective bargaining, with particular risk to certain groups of more vulnerable workers and those working in countries where laws on social dialogue do not provide adequate protection.	I-	ST
Topic 11. Innovation, support to research and scientific partnerships				
Entity-specific	Risk of technological decline and loss of competitiveness	Loss or reduction of the Group's competitive advantage due to the absence or inadequacy of patent protection, enabling other sector companies to replicate or imitate the technologies and innovations developed. Risk of scientific and technological impoverishment leading to a competitive disadvantage in the absence of research support and/or scientific partnerships.	R	LT
Entity-specific	Opportunity for Safran to leverage R&T, innovation and collaborative work outcomes	Many of the technologies used by Safran today come from outside the Group. For expensive technologies, partnerships could reduce the financial burden for Safran and be a source of competitiveness.	Op	ST
Entity-specific	Technological progress and knowledge development in the service of society and ecological transition	Innovation for the common good: search for solutions to improve public safety and address the challenges of climate change and sustainable mobility. Development and sharing of scientific and technological knowledge through partnerships with schools, universities, research centers, incubators and industrial chairs.	I+	ST
Topic 12. Resilience and ESG performance of the supply chain				
G1	Financial risk associated with non-compliance with applicable regulations or poor ESG practices (particularly in terms of quality and safety) by suppliers and/or subcontractors	Fines, litigation or legal action in the event of failure by the Group to comply with its supply chain responsibility obligations, as well as additional costs related to compliance with supply chain responsibility laws.	R	ST
G1	Reputational risk associated with non-compliance with regulations or poor ESG practices by suppliers and/or subcontractors	Damage to the company's reputation in the event of illegal labor practices or adverse environmental impacts within the value chain, potentially undermining customer and investor confidence and limiting access to certain types of tenders and public contracts, which could have a negative impact on its long-term financial performance. Corrective measures and communication actions would be required to rebuild trust and restore the company's image, which could result in additional expenses.	R	ST

⊕ Positive impact; ⊖ Negative impact; R Risk; Op Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

ESRS #	IROs	Description	Type	Time horizon
G1	Improvement of the social and environmental performance of the value chain	Ability of the Group to engage the value chain through the sharing of best practices, stricter regulations, and better supplier and subcontractor selection. Its critical mass can enable the Group to drive sector-wide improvements in working conditions, occupational health and safety, and the energy and environmental performance of products and services.	(I+)	MT
G1	Deterioration of performance due to poor supplier resilience resulting from insufficient partnership with the Group	Inadequate preparation of suppliers to meet the Group's needs, delaying transformation efforts and potentially requiring emergency resourcing to make up for the shortfall, at a very high cost for the Group. High levels of supplier financing and insufficient supply chain security to respond in times of crisis and during ramp-up periods.	(R)	ST
Topic 13. Regulatory compliance and business ethics				
G1	Financial and operational risks arising from unethical practices, corruption or non-compliance with regulations	Criminal and administrative penalties, fines and litigation in the event of failure to comply with applicable regulations, additional costs to ensure compliance with applicable regulations, or due to non-compliance with applicable national regulations, as well as business disruption or interruption if sites are ordered to halt, slow down or modify their operations due to major regulatory non-compliance, including the need for investigations or audits, or the indictment of key managers.	(R)	ST
G1	Negative impact on whistleblowers reporting unethical practices in the absence of protection measures	Negative impact in the event of retaliation against whistleblowers who report unethical practices within the Group.	(I-)	ST
Topic 14. Cybersecurity and protection of personal data				
G1	Risk of financial loss and business disruption due to cybersecurity incidents or personal data breaches	Financial losses in the event of total or partial shutdown or slowdown/ disruption of operations due to system interruptions, investment in cybersecurity software and technological processes, loss of defense-related government contracts due to non-compliance with cybersecurity regulations or a leak of sensitive confidential data, and loss of competitive advantage due to intellectual property theft, resulting in revenue loss and an impact on the company's viability.	(R)	ST
G1	Damage to customer and supplier security and privacy due to data breaches or theft	Theft of customers' personal information: the compromising of the sensitive personal information of Safran's customers could lead to privacy violations, financial fraud and security concerns.	(I-)	ST
G1	Violation of national security through the disclosure or theft of classified information related to the country's defense	Weakening of national defense capabilities and threat to military operations, risk to the security of armed forces and deterioration of diplomatic relations.	(I-)	ST

(I+) Positive impact; (I-) Negative impact; (R) Risk; (O) Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

5.1.1.4.3 Disclosure Requirements in ESRS covered by the Safran's Sustainability Statement

[IRO-2]

The disclosure requirements covered by this Sustainability Statement are listed in a table of contents in section 5.1.6.1. In application of ESRS 1-35, this Sustainability Statement also includes a table of requirements deriving from other European Union legislation, as listed in Appendix B of ESRS 2, in section 5.1.6.2.

Safran's double materiality assessment concluded that the ESRS standards on information regarding aquatic and marine resources (E3), biodiversity and ecosystems (E4) and affected communities (S3) were not material. Material impacts, risks and opportunities, and the way in which their materiality has been assessed, are presented in section 5.1.1.4.1.

Not all the material ESRS data points are applicable. Although these ESRS are material, the application of information materiality or the related IROs reduces the number of data points relevant to Safran.

Information specific to the non-materiality of the "Biodiversity" topic

[E4.IRO-1 17a, b, c, d, e (i, ii and iii)] [E4.IRO-1 19a, b]

Under its double materiality analysis, Safran examined the "biodiversity" topic through consultation with its internal and external stakeholders, and by taking into account specific analysis work conducted by the Group on this topic. To assess the subject in accordance with the requirements of the double materiality analysis, this examination considered the risks, impacts and opportunities relating to its business activities and sites, and also to its upstream and downstream value chain.

Both impact materiality and financial materiality analyses revealed degrees of dependencies and impact considered "moderate", leading to the conclusion that biodiversity is not a material topic for the Group within the meaning of the CSRD.

The Group monitors not only the impacts but also the financial risks and opportunities regarding biodiversity.

5.1.2 Environment

5.1.2.1 Climate and decarbonization challenges (mitigation and adaptation) - ESG Topic 1 (ESRS E1)

5.1.2.1.1 Governance

[E1-1 14] [E1-1 16i] [ESRS 2 MDR-P 65c]

Safran's climate strategy is aligned with the aviation industry's roadmap, which aims to achieve net-zero carbon emissions for global civil aviation operations by 2050. Safran committed to this "Fly Net Zero by 2050" goal in 2021, together with the main aviation industry players gathered in the Air Transport Action Group (ATAG). This goal was adopted by the Member States of the International Civil Aviation Organization (ICAO) at the ICAO Assembly held in 2022.

With its strategic position in a wide range of aeronautics systems, including all aircraft energy systems, the Group is a core provider of technological solutions to decarbonize aviation. Decarbonizing its products and operations is therefore one of Safran's two key strategic focuses. The Group has set up an adapted governance structure to help it respond to the challenges that climate change represents for Safran. The Group's commitment to the climate is supported at the highest level of the organization.

Role of the Board of Directors

The Board of Directors approves Safran's overall business strategy set and proposed to it by Safran's executive management teams and oversees its implementation, in accordance with the Company's best interests and taking into account the social and environmental aspects of its activities. Sustainability topics are taken into account directly at the level of the Board of Directors, integrated upstream into the work of all of the Board Committees and reviewed collaboratively within the Board through reports drawn up by the Committee Chairs (see section 2.3.3).

The Board of Directors has three specialized committees (the "Board Committees"), which all play a role in the Group's climate commitment:

- the **Innovation, Technology & Climate Committee**, which monitors the objectives, trends, developments, progress and general direction of the roadmaps related to the Group's main environmental topics. Since 2021, this Committee's work has included examining and issuing opinions and recommendations about the climate strategy (which covers the transition plan) proposed by Executive Management, as well as the Group's climate action plan and climate metrics. The Committee is chaired by an independent director tasked specifically with monitoring climate topics (Patrick Pélata – see profile in section 2.2.2 of the Universal Registration Document). The strategic directions proposed by the Committee are approved by the Board of Directors, then presented at the Annual General Meeting. During 2024, the Committee's work was focused on the following points: (i) the climate strategy and the transition plan: the topics relevant to Safran and the related action plan, and decarbonization of the overall aviation industry; (ii) review of the list of climate data points for the purpose of CSRD reporting; (iii) hybridization for civil aviation; and (iv) the action plan for the non-CO₂ effects of aviation;

- the **Audit and Risk Committee**, which has overseen sustainability reporting since 2024, is tasked in particular with verifying the process for drawing up the Group's sustainability statements and for monitoring its risk management and internal control systems. The Risk and Insurance Director gives twice-yearly presentations to this Committee on the work carried out on identifying risks, as well as the Group's consolidated risk map and associated action plans. The Committee also reports to the Board on its risk-related work on a twice-yearly basis. During 2024, the Committee focused on the following points: (i) the process of drawing up and verifying sustainability information, in particular the review of the double materiality assessment, (ii) the tender process for the sustainability auditors put forward at the Annual General Meeting of May 23, 2024, and (iii) the draft Sustainability Statement;

- the **Appointments and Compensation Committee**, which is responsible for ensuring that the CSR performance objectives, including climate-related objectives, are taken into account in executive remuneration policies and packages. A portion of the Chief Executive Officer's annual variable remuneration is contingent on the achievement of these objectives, as are the performance shares granted under long-term incentive plans. Regarding its appointments remit, the Committee's selection criteria for new Directors includes candidates' experience and expertise in CSR matters. Lastly, the Appointments and Compensation Committee makes sure that the Board's annual assessment of its operating procedures addresses how CSR topics are taken into account by the Board and the CSR skills of each Director. For example, in response to a recommendation made in the Board's most recent assessment, the Directors were given specific training on climate topics in 2024, delivered by an independent firm.

The Board of Directors approves the climate strategy as proposed and recommended by the Innovation, Technology & Climate Committee. The related climate action plan is closely monitored by the Board, the Innovation, Technology & Climate Committee, and the Executive Committee.

Strategic roles of Management

[E1.GOV-3 13]

How climate topics are taken into account in the Group strategy and operations is overseen at several levels within the Group, and in particular by two committees comprising members of Safran's Executive Committee:

- The **Climate Steering Committee**, established in 2020 and chaired by the Chief Executive Officer, which includes members of the Group Executive Committee representing the main businesses involved in the various aspects of climate action, as well as the CEOs of tier-one entities. Its work is focused on reviewing Safran's strategy for decarbonizing both the overall aviation industry and its own operations. In particular, this Committee is responsible for approving (i) the objectives and roadmaps of the transition plan and, (ii) as from 2025, the climate change adaptation plan;

- The **Group Risk Committee**, chaired by the Chief Executive Officer, which brings together the directors of the central corporate departments, and is led by the Group Risk and Insurance Director. Twice a year, it reviews the identification, assessment and management of risks, and therefore the control of the major risks to which the Group is exposed, including risks related to climate change.

Strategic orientations decided on by these committees are implemented by the Group Sustainability Department. Responsibility for the implementation of the roadmaps and their follow-up falls to different bodies:

- **four committees of a more operational nature**, each chaired by two members of the Executive Committee, and a tier-one entity CEO. They adapt and implement Safran's climate strategy in the following areas: energy and low consumption, supply chain, employee mobility and use of sold products. A fifth operational committee was established in 2025 to address climate change adaptation topics;
- the operational management of actions is the responsibility of low-carbon project managers in the tier-one entities, as well as representatives in the business departments (purchasing, supply chain, energy, business travel, etc.);
- lastly, progress on the action plan is reviewed regularly by the Group Executive Committee.

Climate objectives factored into remuneration

[GOV-3] [EI.GOV-3 13]

The Group encourages members of Executive Management to take climate topics into consideration by including climate-related objectives in their remuneration policies. Annual variable remuneration for the Chief Executive Officer and certain other senior executives is partly contingent on the achievement of objectives related to implementing the climate strategy.

Long-term remuneration

The Board of Directors considers that the long-term incentive system – which comprises performance share grants and applies to the Chief Executive Officer and other key positions within the organization – is particularly suited to the position of Chief Executive Officer in view of the direct contribution expected from him to the Group's long-term performance. The vesting of all the performance shares granted to the Chief Executive Officer, as well as to the members of the Executive Committee and other senior executives, is subject to the achievement of internal and external performance conditions, including conditions related to non-financial performance. The overall weighting for non-financial performance conditions, including climate-related performance conditions, is 20%.

These performance conditions, which are applicable to all beneficiaries of performance shares, are assessed over three full consecutive fiscal years, including the year of grant.

The non-financial performance conditions include an objective to reduce Scope 1 and 2 CO₂ emissions⁽¹⁾, which has a 10% weighting.

Annual variable remuneration

The Chief Executive Officer's annual variable remuneration is contingent on achieving economic and individual, financial and non-financial, quantitative and qualitative performance objectives, which are aligned with the Group's overall business. Under the Chief Executive Officer's remuneration policy for 2024, non-financial climate-related objectives made up 10% of the overall objectives set for his annual variable remuneration.

The specific climate-related objectives taken into account for setting his 2024 annual variable remuneration were:

- continue to take steps to achieve the action plan target to reduce Scope 1 and 2 CO₂ emissions by 30% by 2025 compared to 2018, aiming to complete 95% of the action plan by 2024;
- continue to take steps to achieve the target to reduce Scope 1 and 2 CO₂ emissions by 50% by 2030 compared to 2018, taking into account the Group's growth;
- ensure that the Group's sites become increasingly energy efficient by achieving the Energy Management System Gold Standard;
- pursue the Group's Energy Efficiency Plan to reduce its worldwide energy consumption by 10% in 2024 compared to 2019, taking into account the Group's growth;
- mobilize our suppliers to become more low-carbon, ensuring that our Top 400 suppliers have Scope 1 and 2 CO₂ emissions reduction targets and that they have communicated these.

The two other environmental objectives underlying the Chief Executive Officer's annual variable remuneration for 2024 were based on (i) implementing the new CSRD reporting requirements and (ii) increasing the recycling of titanium, with the target of returning a certain percentage of potential titanium chips to suppliers.

For a detailed analysis of the structure and amounts of the Chief Executive Officer's remuneration, see section 2.6.2.2, "Compensation policy for the Chief Executive Officer" and section 2.6.3.2, "Compensation and benefits of the Chief Executive Officer for 2024".

The specific climate-related objectives set in the Chief Executive Officer's annual variable remuneration policy for 2025 are presented in section 2.6.2.2.

(1) Scope 1: Direct GHG emissions linked to the combustion of energy sources such as gas, liquefied petroleum gas and aviation fuel, as well as refrigerant emissions during the production phases at Safran sites. Scope 2: indirect emissions linked to the consumption of energy, electrical power or heating/cooling at Safran sites.

5.1.2.1.2 Strategy

Safran's integration of climate topics into its strategy includes topics related to the transition to a low-carbon model, and climate change adaptation. Concerning the climate change adaptation plan, see section 5.1.2.1.4.



Note that Safran received the maximum A rating in the CDP climate questionnaire in 2024, for the second consecutive year, recognizing the Group's leadership in environmental transparency and its commitment to addressing the climate challenge. The annual CDP (formerly known as the Carbon Disclosure Project) environmental disclosure and rating process is recognized as a global benchmark for corporate environmental transparency and action plans on climate change awareness and risk mitigation.

Transition plan for climate change mitigation

[E1-1] [E1-114]

Objectives

[E1-4 AR25a] [E1-4 34e, 16 a] [E1-4 AR25b] [E1-4 AR30 c] [ESRS 2 MDR-T 80a] [ESRS 2 MDR-T 80h] [E1.IRO-1 AR12d]

Safran is fully committed to the Paris Agreement, which set the goal of keeping global warming well below 2°C and, if possible, limiting it even further to 1.5°C, by the end of the century compared to pre-industrial levels. The Group's strategy, impacts, risks and opportunities are therefore examined in light of the various climate scenarios presented in section 5.1.2.1.3, in particular the Waypoint 2050 sector-based scenario established by the ATAG, which aims to achieve net zero CO₂ emissions for global civil aviation by 2050 (the "Fly Net Zero" goal).

Based on an analysis of these scenarios, Safran has set the following targets:

- Scopes 1 and 2:
 - reduce CO₂ emissions (hereinafter referred to as "emissions") by 35% between 2018 and 2025, and by 50.4% between 2018 and 2030, a target consistent with a 1.5°C global warming scenario. At the end of 2024, the 2025 target was revised to reflect Safran's ambition, from a 30% reduction to a 35% reduction compared with 2018;

■ Scope 3:

- reduce Scope 3 emissions related to the use of sold products by 42.5% per available seat kilometer by 2035 versus 2018 (a target consistent with the minimum SBTi requirement for alignment with a "well below 2°C" global warming scenario), thus contributing to the overall objective of net-zero carbon emissions for global civil aviation operations by 2050 (ATAG Waypoint 2050 scenario);
- regarding Scope 3 emissions related to purchased goods and services: engage Safran's Top 400 suppliers in meeting the Paris Agreement commitments, i.e., to achieve emissions reductions in line with the objective of keeping global warming well below 2°C and, if possible, limiting it even further to 1.5°C;
- reduce Scope 3 emissions related to business travel and employee commuting by 50% by 2030 versus 2018.

2018 was chosen as the earliest base year to take into account the emissions of the former Zodiac Aerospace, acquired by Safran that year.

The targets were set by the Executive Committee, approved by the Board of Directors and presented to the Group's stakeholders via various channels (e.g., the Annual General Meeting, employee representative bodies and the Safran website). They are also included in the Global CSR framework agreement (see section 5.1.1.3.1).

SBTi-validated targets

[E1-116a] [ESRS 2 MDR-M 77b]

In 2023, the Science-Based Targets initiative (SBTi) validated Safran's emissions reduction targets, covering direct emissions (Scope 1) and indirect emissions deriving from the energy consumption of the Group's operations (Scope 2), as well as emissions related to the use of its sold products (Scope 3), as being compatible with the warming scenarios indicated for each target.

Safran's emissions reduction targets that have been validated by the SBTi for the period commencing from the 2018 base year are set out in the table below. The target validated by the SBTi for Scopes 1 and 2 is compatible with limiting global warming to 1.5°C, in accordance with the Paris Agreement.

EMISSIONS REDUCTION TARGETS VALIDATED BY THE SBTI

	Scope	Base year	Type	Target reduction	Target year	Validated by the SBTi
Short-term target	Scopes 1 and 2	2018	Absolute	-50.4%	2030	Yes – 1.5°C
Short-term target	Scope 3 – Use of Sold Products – Category 11 of the GHG Protocol ^{(1) (2)}	2018	Intensity	-42.5%	2035	Yes – WB2C ⁽³⁾

(1) Greenhouse Gas Protocol.

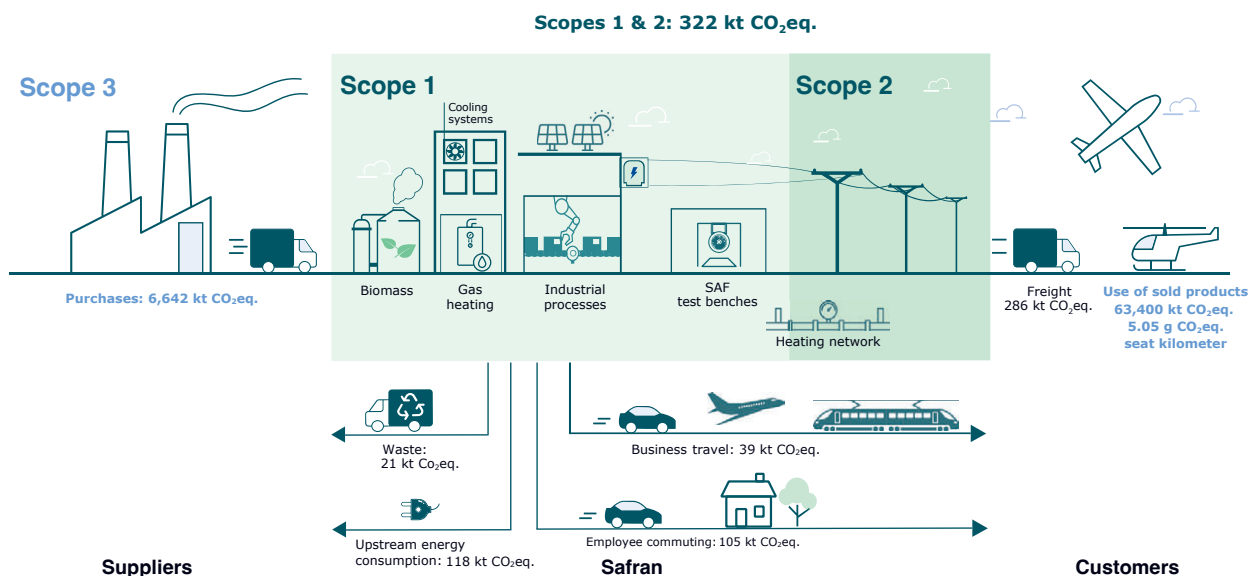
(2) Safran is committed to reducing its direct emissions and indirect emissions related to the use of sold products by 42.5% per available seat kilometer by 2035 compared with 2018 (see section 5.1.2.1.6 for definitions of direct use-phase/indirect use-phase emissions of sold products).

(3) WB2C – "Well Below 2°C": This target is consistent with the minimum SBTi requirement for alignment with a global warming scenario well below 2°C, with reference to the Paris Agreement international commitment.

Decarbonization levers and progress to date

[E1-1 16b] [E1-1 15] [E1-3 29a] [E1-3 28] [E1-3 29b] [ESRS 2 MDR-A 68a] [ESRS 2 MDR-A 68b] [E1-4 34f, 16 b] [E1-4 34e, 16a]

BREAKDOWN OF SAFRAN'S EMISSIONS THROUGHOUT ITS VALUE CHAIN



Scopes 1 and 2

Scope 1 and 2 emissions are emissions that are directly controlled by Safran within the scope of its operations. The pie chart below shows a breakdown of the levers for achieving the target of reducing Scope 1 and 2 emissions by 50.4% by 2030 versus 2018, as well as the progress made to date.

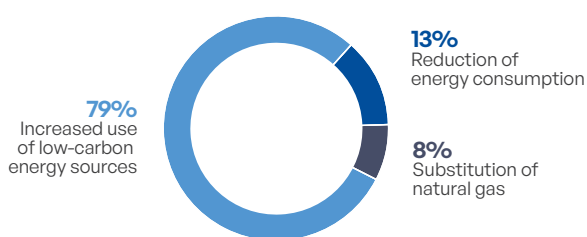
The Group has structured its action plan for reducing its Scope 1 and 2 emissions around the following strategic priorities:

- reduction of energy consumption;
- substitution of natural gas;
- increased use of renewable energies.

The chart below shows a breakdown of contribution of decarbonization levers to meeting the target of a 50.4% reduction in Scope 1 and 2 emissions by 2030, i.e. from 578,677 tCO₂ in 2018 to 287,024 tCO₂ by 2030:

CONTRIBUTION OF SCOPE 1 AND 2 DECARBONIZATION LEVERS

[E1-4 AR31]



NB: The percentages shown above represent the contributions to achieving the 2030 target expected from each lever as at the date of this report, and apply to total emissions without taking into account any reduction actions.

Reduction of energy consumption

- To increase the energy performance of new buildings, specific rules have been put in place for tertiary and industrial activities. These rules, which apply to the construction of all new projects, sites and buildings, are designed to ensure that no natural gas is used other than that required for production, and that emissions related to energy consumption in the operating phase are close to zero.
- To intensify and accelerate the reduction of site energy consumption, an internal energy management system based on ISO 50001 has been rolled out at Safran sites. This system has three levels of maturity (bronze, silver and gold). is used to monitor and improve the energy performance of the Group's industrial tools and processes. A network of energy management officers has also been created across the various entities, with local representatives at each site. An energy committee combining a range of skills is led by the Climate and Environment and Industrial Performance Departments to share tools, methods, best practices and feedback.

In 2024, 76% of the Safran sites concerned had achieved gold status, representing 93% of the Group's global energy consumption.

- The Energy Efficiency Plan, launched in 2022, focuses on reducing the absolute value of energy consumption at Safran sites and improving the energy performance of our operations. The initial target of reducing gas and electricity consumption by 10% in 2024 compared with 2019⁽¹⁾ at sites in Europe has been extended to all sites worldwide. Examples of the measures adopted under this plan include switching off equipment at the end of shifts, and better temperature control at sites. A "Green IT" plan has also been set up with a view to reducing emissions from digital devices and services. And an e-learning platform called the *Sustainability Academy* was launched in 2024 to raise employees' awareness about everyday eco-friendly actions they can take to contribute to the Group's energy efficiency objectives and, more broadly, help combat climate change.

In 2024, the energy management system and energy efficiency plan enabled Safran to reduce the gas and electricity consumption at its global sites by 11% compared with 2019.

Substitution of natural gas

- Safran is accelerating the introduction of alternatives to natural gas for heating by taking measures such as connections to heat networks, moving from gas to electricity for heat production in countries with a low-carbon electricity mix, using geothermal energy, and recovering waste heat (i.e., heat generated by a process whose primary purpose is not energy production).

In 2024, several such projects were brought into service in France, including connecting up to heat networks in Dijon and Le Havre), moving from gas to electricity in Caudebec, Plaisir and Nexon, and recovering waste heat in Gennevilliers, Milmort and Bidos. A project has also been launched to install a geothermal energy system at the Villaroche site.

Increased use of renewable energies

- Safran is increasing the proportion of **decarbonized energy** in its energy mix by signing contracts for the supply of low-carbon energy through guarantees of origin for renewable electricity, Power Purchase Agreements (PPAs), and Virtual PPAs. These agreements cover between 70% and 100% of the electricity used at the sites located in the countries where the PPAs have been signed (Mexico, Poland, the United States and the United Kingdom). New PPA opportunities are currently being explored in Malaysia (to add to existing agreements), Morocco and Tunisia.
- Safran also sources supplies of **sustainable aviation fuel** (SAF) which is blended into the kerosene used for aircraft and helicopter engine approval tests at its Safran Aircraft site at Villaroche and its Safran Helicopter Engines sites at Bordes and Tarnos, all in France. In 2024, SAF purchases topped 2.5 million liters, accounting for an average 25% proportion in the fuel blend. Safran plans to increase the proportion of SAF to 35% in 2025.
- In addition to the decarbonized energy supply contracts mentioned above, Safran uses solar and/or wind power for the **production and self-consumption of renewable energy** at a large number of its sites around the world.

In 2024, 27 GWh was generated by facilities installed at Group sites in Australia, Belgium, China, France, Malaysia, Morocco, Singapore, Thailand, Tunisia, the United States and the United Kingdom. New facilities were brought into service in 2024, including a wind power facility at the Milmort site in Belgium, and solar power facilities at Colomiers and Villemur sur Tarn in France, Chihuahua in Mexico, Hyderabad in India, and Grand Prairie in the USA.

In 2024, the proportion of purchased and self-generated energy in our overall energy mix was 17%.

Scope 3

In 2024, 99.5% of Safran's total emissions were Scope 3 emissions.

Analysis of the Scope 3 emissions categories listed by the GHG Protocol resulted in seven of the 15 categories being classified as significant for the Group:

1. Purchased goods and services;
2. Upstream emissions related to energy consumption;
3. Upstream transportation;
4. Waste generated in operations;
5. Business travel;
6. Employee commuting;
7. Use of sold products.

In 2024, Safran continued its work on developing and implementing operational roadmaps to reduce emissions in these categories. The work carried out to date is presented below in order of priority.

Use of sold products

Reducing the carbon footprint of commercial flights is a key priority in Safran's commitment to contribute to the decarbonization of the aviation industry. As part of its strategy to reduce emissions associated with the use of its sold products, Safran has for several years been committed to improving the energy efficiency of aircraft, thereby contributing to the reduction of emissions in the aviation sector.

To achieve these targets, Safran devotes considerable effort to Research and Technology (R&T) and has set itself the target of allocating at least 75% each year of its self-funded R&T expenditure to improving the environmental impact of its products⁽²⁾. In 2024, this percentage was 88.5%. In addition to self-funding its R&T efforts, the Group receives French and European subsidies through the CORAC (Conseil pour la Recherche Aéronautique Civile) and the European Commission's Clean Aviation program.

The improvement in environmental impact relates especially to decarbonization and the reduction of product energy consumption, product weight (and therefore of resource consumption, indirectly contributing to the reduction of aircraft consumption) and noise. Its work chiefly concerns propulsion, electrification, lightweight equipment and the use of sustainable fuels. Its roadmap strongly contributes to a technological breakthrough in the form of an aircraft that consumes 30% less fuel than today's most efficient aircraft, therefore helping to achieve net zero emissions by 2050.

(1) As 2019 is the base year for the French government's national energy savings plan, Safran has used the same date.

(2) Self-funded R&T expenditure corresponds to gross research and technology costs recognized as expenses, less products recognized in respect of client funding and subsidies (excluding research tax credit).

In addition to the fleet renewal (gradual replacement of A320ceo by A320neo and B737 by B737 Max for example) and the gradual incorporation of sustainable aviation fuels, which contribute to the 2035 target, the three main levers for reducing Scope 3 emissions related to the use of sold products are:

- continue to improve the energy efficiency of aircraft fleets by developing the technologies for the development of new ultra energy-efficient aircraft;
- develop all the technologies for electrified aircraft propulsion;
- enable increasing use of sustainable aviation fuel (SAF).

Develop the technologies for creating new ultra energy-efficient aircraft

As part of the transition to decarbonization, Safran is focusing on the development of technologies that enable a significant reduction in energy consumption when its products are used. This is the aim of the Revolutionary Innovation for Sustainable Engines (RISE) technology development program, led by Safran and its partner GE Aerospace, which is preparing the next generation of engines for short- and medium-haul aircraft. The objective is to achieve a breakthrough in fuel efficiency by developing an engine that delivers a reduction of over 20% in fuel consumption compared with the latest-generation LEAP engine (which is itself 15% to 20% more efficient than the CFM56, the previous generation engine). Future engines and equipment developed as part of the RISE program will also be compatible with SAF.

The Open Fan system developed as part of the RISE program is considered the most promising engine architecture for enabling the aviation industry to reach its sustainability goals. In 2024, more than 200 hours of wind tunnel testing were conducted at the ONERA aerospace lab, using a 1:5 scale model of an Open Fan to test the aerodynamic and acoustic performance of Open Fan designs. As part of these tests, a version of the model was mounted on a demonstrator plane wing section for joint testing with Airbus. Key tests were successfully completed on fan acoustics, aerodynamics, blade ingestion, the high-speed, low-pressure turbine, and electrical hybridization, the latter being one of the key technologies that the RISE program is pioneering.

At the same time, Safran has built a full-scale prototype of a low-pressure rapid compressor for the future Open Fan engine of the RISE program, which will be tested in 2025 at the Group's new compressor test center in Herstal, Belgium. This 3,000 sq.m. BeCOVER facility, which is designed to test all types of compressors, was inaugurated in December 2024.

Safran is also contributing to improving the efficiency of future aircraft by making aircraft equipment more lightweight using new materials (composites, ceramics, etc.) and additive manufacturing. In 2024, it continued to ramp up its center of excellence dedicated to additive manufacturing – the Safran Additive Manufacturing Campus (SAMC) – and manufactured its first serial production engine parts using this technology (14 product references).

Thanks to all its actions in these areas, Safran will play a major role in reducing the consumption of the aircraft of the future. Taken together, the contributions of aircraft equipment suppliers and aircraft manufacturers could lead to a reduction of around 30% in fuel consumption for the aircraft of the future compared with the current generation.

Develop all the technologies for electrified aircraft propulsion

Safran's expertise across the entire energy chain has made it a leader in hybrid and full-electric architectures. The Group works collaboratively with players such as Aura Aero, Archer, Voltaero and Electra in the field of electric propulsion. A major milestone was passed in 2024 with the completion of certification work on the ENGINEUS 100 electric engine, which, in early 2025, received the first approval for an electric aircraft motor from the European Union Aviation Safety Agency (EASA).

In 2024, EcoPulse – the hybrid-electric distributed propulsion aircraft demonstrator, developed jointly by Daher, Safran and Airbus with funding from the French Civil Aviation Authority (DGAC), concluded its flight test campaign, delivering crucial insights for the air transport decarbonization by 2050 goal. Six Safran ENGINEUS electric engines were used by EcoPulse. This collaborative project, which is emblematic of the French aerospace sector, has provided unique experience in the design, certification, production and operation of hybrid-electric aircraft.

Enable increasing use of sustainable aviation fuel (SAF)

In addition to the technologies described above for improving aircraft energy efficiency, the use of sustainable aviation fuel is imperative in all scenarios for decarbonizing the industry. Currently, commercial aircraft use jet fuel derived from fossil resources (oil). There are several categories of sustainable aviation fuel that have significantly lower emissions over their life cycle (from manufacture to combustion) than conventional jet fuels. SAFs include:

- **advanced biofuels:** these use complex biomass from a variety of sources, especially organic waste such as wood (forestry residues) or waste oil. They differ from first-generation biofuels, which are made from so-called energy crops (corn, rapeseed, soy, etc.);
- **synthetic fuels** known as power-to-liquid or eFuels: these are produced using low-carbon electricity by combining CO₂ captured from the air or in industrial facilities and hydrogen mainly produced by water electrolysis.

These two types of fuel are very similar to existing jet fuel in terms of their characteristics and can be used in existing aircraft if blended with conventional jet fuel. Depending on the production pathway current certification allows aviation fuel to contain up to 50% SAF. Safran and its partners are working towards removing all technical barriers to ultimately allow for fuel to contain up to 100% SAF.

In 2024, major R&T work was carried out under the partnership set up with TotalEnergies on determining the future formulations of sustainable aviation fuel. This work paved the way for the two entities' objective of submitting to the ASTM (American Society for Testing and Materials) ballot process in 2025 a quality specification that enables 100% SAF incorporation.

Safran also actively supports the development of a sustainable aviation fuel production industry. Through Safran Corporate Ventures, it has invested in a number of companies to contribute to the removal of the technological barriers to the production of SAFs. For example, in 2021 the Group invested in German startup Ineratec, specialized in the development of synthetic fuels. Then in 2023, it invested in Avnos, an American startup specializing in direct air capture of CO₂. CO₂ capture is a critical technological building block in the production cycle of synthetic aviation fuels (e-fuels), which require CO₂ and low-carbon hydrogen.

To complement its existing portfolio of decarbonization investments (Ineratec and Avnos), in 2024, Safran Corporate Ventures invested in the United Airlines Ventures Sustainable Flight Fund, which is dedicated to identifying and supporting innovative startups offering technological building blocks for SAF projects.

Safran was one of the driving forces behind the creation of the European Renewable and Low Carbon Fuels Value Chain Industrial Alliance (the RLCF Alliance) and since then has chaired the Alliance's "Aviation pillar". Within this organization, Safran is

actively contributing to the development of a sustainable aviation fuel production industry in Europe. The RLCF Alliance coordinates more than 250 members along the entire value chain to encourage investment in new production facilities in Europe.

Safran's purchases of sustainable aviation fuel for the fuel blends used in aircraft and helicopter engine approval tests contribute to decarbonization of its activities and provide support for the sector as a whole, as does its voluntary participation in airline SAF programs.

In September 2024, Safran, Turbotech and Air Liquide completed ground demonstration testing of a hydrogen-fueled gas turbine aircraft engine based on an ultra-efficient regenerative cycle and fed from a liquid hydrogen tank (Beaulyfuel project). Safran is also working on a fuel cell solution (membranes, cells) for propulsion systems. In the shorter term, prior to the potential arrival of these technologies on the market, the massive development of low-carbon hydrogen is essential for reducing the environmental footprint of aviation as it is a crucial building block for producing sustainable fuel.

NON-CO₂ EFFECTS OF AVIATION

In addition to CO₂, aircraft engines also emit particles, water vapor, sulfur compounds and nitrogen oxides. Depending on weather conditions and air humidity levels, particles, and, in particular, water vapor, can cause persistent contrails. Non-CO₂ emissions can have both warming and cooling effects.

These effects are currently difficult to quantify but climate scientists estimate they have a net warming impact overall.

For several years now, Safran (especially the Safran Aircraft Engines teams) has been working on understanding the effects of non-CO₂ emissions, particularly contrails. It has also taken part in modeling these effects through the scientific partnerships it has set up (research chairs and dedicated research projects), such as the Climaviation chair in France created with Onera and Institut Pierre-Simon Laplace (IPSL), and the industrial chair in Canada created with Polytechnique Montréal and L'École Technologique Supérieure de Montréal.

In addition to modeling, Safran took part in numerous in-flight tests and measurements in 2023 and 2024 with the VOLCAN (VOL avec Carburants Alternatifs Nouveaux) project, in collaboration with Airbus, TotalEnergies, Onera and other partners, using an A321neo equipped with CFM Leap engines, to measure the impact of fuel composition on contrails. Safran also participated in the CirrusH2 project aimed at assessing the potential impact of hydrogen technologies on the formation of contrails.

A new project (Moscitoo) bringing together industry players (Safran, Airbus, TotalEnergies) and laboratories (CERFACS, MétéoFrance, Onera, IPSL, etc.) was launched in 2024 to continue work on modeling the various impacts associated with contrails.

Also in 2024, Safran invested in French startup Estuaire, which has developed in-depth expertise to help its partners and customers more effectively understand the non-CO₂ effects of aviation and the associated models. Its technology platform features data fusion and the use of cloud computing to incorporate various aviation data streams, including flight radar tracks, digital weather predictions, passenger load factors, and several climate and flight physics models.

Safran communicates publicly about the non-CO₂ effects of aviation, and holds discussions and works in cooperation with all of the industry's players. For example, it signed the joint statement by the CTOs of aerospace industry leaders released at the 2024 Farnborough International Airshow which stressed the importance of accelerating efforts to understand and reduce aviation's non-CO₂ effects. It also took part in specialist roundtables during the year, organized by international organizations such as EASA and the ICAO, and presented its work to the Group's employees during a day dedicated to innovation.

Purchased goods and services: Mobilizing suppliers

In 2022, Safran launched the "TOP400" initiative to encourage the 400 suppliers who contribute the most to the Group's carbon footprint (representing around 80% of Scope 3 emissions related to its purchased goods and services) to commit to an emissions reduction pathway aligned with the Paris Agreement's target of keeping global warming well below 2°C, and, if possible, limiting it even further to 1.5°C.

Safran's roadmap for achieving this objective is focused on three main action points:

- encourage suppliers to commit to a carbon reduction pathway: in 2024, more than 70% of the Group's Top 400 suppliers had set and communicated targets for reducing their Scope 1 and 2 emissions. Each of these suppliers must complete a maturity questionnaire and submit a decarbonization action plan;
- exchange with our Top 400 suppliers to improve knowledge of the emissions associated with the purchase of goods and services;
- incorporate emissions reduction approaches into the entire purchasing process, particularly in the supplier selection process.

In line with its supplier engagement objective, Safran organized its third Safran Supplier Day in June 2024. During this event, three suppliers were rewarded for their decarbonization innovations.

Online training is available for suppliers, including a tool for calculating emissions and another for setting emissions reduction targets. To support this approach internally, online training is provided to buyers to give them the experience and tools to support suppliers.

Transportation

In 2024, the Group continued to identify the means at its disposal to reduce the carbon intensity of freight activities. The main decarbonization levers identified are: streamlining logistics flows (grouping companies on shared routes), switching from air to sea freight and using sustainable fuels.

Business travel

In 2024 the Group continued to roll out its action plans aimed at (i) reducing emissions in partnership with travel providers (airlines, car rental companies, taxi companies, hotels, etc.), (ii) making employees aware of and responsible for the impact of their travel (reason for travel, choice of mode of transport, return from assignments, etc.), and (iv) ensuring that the fuel used for employee air travel contains a proportion of sustainable aviation fuel. It also pursued its partnership with Air France-KLM in 2024 for purchasing and incorporating sustainable aviation fuels into its operations.

Employee commuting

In 2024, it pursued its action plans in this domain by (i) continuing to switch its company vehicle fleet to electric vehicles and encouraging employees to do the same for their own cars by providing EV charging points, particularly in France (1,500 charging points installed in France at end-2024) as well as access to free or low-cost charging, and (ii) encouraging collective mobility (shuttle buses at certain Safran sites), shared transport (carpooling, carsharing) and soft mobility (sustainable mobility payment, long-term bicycle rental offer). Working from home also reduces emissions linked to commuting, and remote working arrangements are in place within Safran entities in France and worldwide.

Locked-in emissions

[E1-116d]

Scopes 1 and 2

Locked-in Scope 1 and 2 emissions mainly derive from fossil-fuel-powered stationary industrial equipment, the company vehicle fleet and refrigerant gases used in air-conditioning systems. They are referred to as "locked-in" emissions because they are associated with assets that have a long lifespan and require investment to decarbonize them.

Quantitative analysis of locked-in Scope 1 and 2 emissions currently has limitations as data on energy consumption is collected by site and consolidated for all Group installations, and not at the level of the specific equipment (future consumption and emissions).

Consequently, the Group's analysis of Scope 1 and 2 locked-in emissions remains mainly qualitative for 2024 and its aim is to improve the granularity of the data in the future.

Safran's transition plan incorporates measures to reduce locked-in Scope 1 and 2 emissions, including improving the energy efficiency of the machines and processes used (e.g. advanced thermal insulation for furnaces), recovering heat from manufacturing processes, gradually replacing natural gas with low-carbon alternatives, increasing the use of renewable energies, and switching the service vehicle fleet to electric vehicles. As a result of all these measures, locked-in Scope 1 and 2 emissions do not currently present any major risk of jeopardizing the Group's target for reducing its Scope 1 and 2 emissions by 2030. For further information about the Scope 1 and 2 action plan and progress to date, see section 5.1.2.1.2.

Scope 3

Scope 3 locked-in emissions mainly relate to the use of sold products.

In accordance with the GHG Protocol and the principles discussed within the International Aerospace Environmental Group (IAEG), Safran presents emissions resulting from the use of its products in two sub-categories, for which the methodology used is similar:

- direct use-phase emissions of sold products;
- indirect use-phase emissions of sold products.

Compliant with the CSRD definition of locked-in emissions (see E1-1 AR 3.b), Safran reports locked-in emissions as emissions directly generated by sold products during their use phase, i.e., propulsive systems products (engines, engine subsystems and nacelles) emissions. These emissions amounted to 18 MtCO₂eq in 2024 (see section 5.1.2.1.6 for further information on the calculation method).

Safran's transition plan includes measures to reduce locked-in Scope 3 emissions associated with the use of sold products, such as the rapid deployment of the latest generation LEAP engine, the gradual introduction of sustainable aviation fuels and the preparation of technologies for the development of new ultra-efficient aircraft. Based on all of these measures and the assumptions applied by Safran in its decarbonization scenario, Scope 3 locked-in emissions do not currently pose any major risk of jeopardizing the 2035 target of reducing Scope 3 emissions linked to the use of sold products. For further information on the Scope 3 action plan, see section 5.1.2.1.2.

Financing

[E1-1 16c] E1-1_04], [E1-1_05] and [E1-1_06]

CapEx and OpEx required for implementation of the action plan⁽¹⁾

The significant CapEx and OpEx required to implement the Group's transition and adaptation plans presented below are included in its medium-term financial plan (MTP).

Scopes 1 and 2

Safran has selected the key emissions savings actions it needs to carry out in order to achieve the reduction targets it has set itself, as well as the key adaptation measures.

For Scopes 1 and 2, capital expenditure amounts to around €330 million and operating expenses to approximately €200 million. The data disclosed covers the time horizon of the medium-term plan (2024-2028). This horizon is extended to 2030 (deadline for the Scope 1 and 2 emissions reduction target) when a low-carbon energy supply contract is in place that covers up to that year.

CapEx is disclosed based on a commitment rather than expensed basis.

These amounts do not include expenditure dedicated to decarbonization actions within the scope of CapEx aimed at increasing the Group's production capacity, or CapEx commitments prior to 2024 (e.g., installation of solar panels in France for €15 million in 2023).

Scope 3 – Use of sold products

Safran discloses its self-financed R&T expenditure on its technology decarbonization roadmap.

This expenditure is calculated based on (i) actual figures for the reporting year, and (ii) the target proportion of self-financed R&T expenditure for environmental efficiency, i.e., 75% of the forecast amount. For 2024, this represented 88.5% of total R&T expenditure.

R&T expenditure also has positive external impacts, such as noise reduction for example.

Self-financed R&T expenditure for environmental efficiency amounts to approximately €3.1 billion for the period 2024-2028.

In addition, around 40% of the Safran Corporate Ventures portfolio is focused on decarbonization.

Scope 3 – Upstream, business travel and employee commuting

CapEx and OpEx amounts for other Scope 3 categories are not material.

Information on the Paris-Aligned Benchmarks

[E1-1 16g]

Safran is not excluded from the Paris-aligned Benchmarks based on the main exclusion criteria defined in Article 12 of the delegated regulation. Safran is fully committed to the Paris Agreement, which set the goal of keeping global warming well below 2°C and, if possible, limiting it even further to 1.5°C, by the end of the century compared with pre-industrial levels.

Alignment of the transition plan with the Group's strategy and financial planning

[E1-1 16h] [E1-1 17]

The decarbonization of air transport is Safran's main climate challenge. As an engine and equipment manufacturer operating in the aerospace sector, Safran has made the decarbonization of aviation one of the two pillars of its strategy alongside sovereignty, and a central part of its core purpose. "Thanks to the commitment of its employees, proven innovation and operational excellence, Safran designs, builds and supports high-tech solutions to contribute to a safer, more sustainable world, where air transport is more environmentally friendly, comfortable and accessible..." (see key decarbonization levers and actions presented in section 5.1.2.1.2).

Safran has included in its medium-term financial plan (MTP) the significant CapEx and OpEx required to implement the Group's transition and climate change adaptation plans (see section titled "CapEx and OpEx required for implementation of the action plan").

(1) Complexity of estimating decarbonization lever CapEx and OpEx: all costs presented are estimates based on current levers expected to be implemented. Implementing these levers remains complex and may require additional levers to be put in place as part of future strategic planning.

5.1.2.1.3 Management of impacts, risks and opportunities – Metrics and targets

Material impacts, risks and opportunities and their interaction with strategy and business model

[E1.SBM-3] [E1.SBM-3 18]

Climate change presents a twofold challenge for Safran in terms of:

- the impact of climate change on the Group's activities, in most regions of the world;
- the impact of the Group's activities on climate change. Safran contributes to greenhouse gas emissions both directly through its industrial operations, purchases, freight, etc., and indirectly through customers' use of its products, particularly in the aviation sector.

Safran has identified two types of risk:

- **physical risks** resulting from damage caused directly by extreme weather and climate events. These risks could endanger the safety of employees and cause damage to the Group's facilities. The exposure of Safran's sites and their value chains to these risks is largely dependent on their geographic location;
- **transition risks** stemming from economic, regulatory, labor and social changes in relation to the fight against climate change. This could include new taxes, regulatory measures to reduce the use of air transport, loss of market share or loss of attractiveness of the industry for investors or of Safran if more competitive products for decarbonization are developed by competitors.

The time horizons used for the identification, assessment and management of impacts, risks and opportunities are defined as follows:

- **short-term:** covers a period of one year from the end of the reporting period. It corresponds to the rollout of actions whose finance has been secured;
- **medium-term horizon:** extends up to four years from the end of the reporting period. It corresponds to the rollout of actions whose financing has been secured under the medium-term plan MTP but which have not yet been fully deployed;
- **long-term:** beyond four years from the end of the reporting period. It corresponds to the definition in the Group's R&T roadmap and to its strategic pathways that extend beyond five years.

See the IRO table in section 5.1.2.1.3 for details on risks.

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

[ESRS 2 IRO-1] [ESRS 2 IRO-1 53a] [ESRS 2 IRO-1 53c (ii and iii)] [ESRS 2 IRO-1 53d] [ESRS 2 IRO-1 53e] [ESRS 2 IRO-1 53f] [ESRS 2 IRO-1 53g] [ESRS 2 IRO-1 53h] [E1.IRO-1 AR15]

The potential climate-related impacts, risks and opportunities are based on the Group's ESG topic, "Climate and decarbonization challenges (mitigation and adaptation)".

The double materiality assessment identified seven risks and two material negative impacts for Safran (the list of these IROs is presented below in section 5.1.2.1.3).

See section 5.1.1.4 for details on the IRO identification process.

The Group's strategy, impacts, risks and opportunities related to climate change are analyzed based on different climate scenarios:

- sector-specific scenarios, both global (ATAG Waypoint 2050, aiming for carbon neutrality in the civil aviation industry by 2050) and European (Destination 2050, aiming for a 55% reduction in emissions by 2030 compared with 1990);
- International Energy Agency (IEA) scenarios for aviation: the Sustainable Development Scenario, compatible with warming of less than 2°C, and the Net Zero 2050 Scenario, compatible with warming capped at 1.5°C;
- the global warming scenario of between 2 and 3°C by 2100 (Representative Concentration Pathways scenario – RCP 4.5) defined by the Intergovernmental Panel on Climate Change (IPCC).

These scenarios provide a framework for Safran to assess impacts, risks and opportunities, estimate the probable impacts and improve compliance in general, while at the same time taking a proactive approach to managing climate-related risks and opportunities.

The table below details the climate scenarios used by Safran for identifying transition risks and climate change adaptation risks and for drawing up its roadmap. They are reviewed on a regular basis to confirm their relevance. For example, a new analysis of physical climate risks was launched towards the end of 2024, based on the new IPCC scenarios SSP 2-4.5 and SSP 5-8.5 (see section 5.1.2.1.4)⁽¹⁾.

(1) SSP: Shared Socio-economic Pathways.

ANALYSIS OF CLIMATE SCENARIOS USED

[ESRS 2 IRO-1]

Scenario	Description of scenario	Input data and scenario constraints
Transition scenarios: IEA Net Zero (NZE) by 2050 IEA Sustainable Development Scenario (SDS)	Source: International Energy Agency (IEA) Temperature alignment: 1.5°C or less Result of the analysis: Scope 1 and 2 emission reduction targets for 2025 and 2030, and introduction of an internal carbon price	To determine its Scope 1 and 2 emission reduction targets, Safran used the IEA's Net Zero 2050 and Sustainable Development Scenario (SDS). Using the sector decarbonization approach, Safran has developed pathways up to 2050. Safran has thus set a first milestone containing medium-term targets for 2025 and 2030, with a base year of 2018, using the absolute contraction method ⁽¹⁾ issued by the Science Based Targets initiative (SBTi), which has validated the Group's pathway for 2030. Using the IEA's World Energy Outlook, and in particular the SDS (1.6°C warming scenario), the Group was able to estimate the increases in energy costs and carbon taxes that it might have to pay between now and 2040, and what impact these increases could have on its activities. This analysis also enabled Safran to identify the impact on its main suppliers. It was used as a basis to help the Group set its Scope 1 and 2 emissions reduction targets, and to introduce an internal carbon price for capital expenditure projects, such as new buildings or extensions to existing facilities, as well as for capital expenditure related to energy efficiency.
Transition scenarios: IEA Net Zero (NZE) by 2050 IEA Sustainable Development Scenario (SDS) ATAG Waypoint 2050 Destination 2050	Source: International Energy Agency (IEA) and Air Transport Action Group (ATAG), Destination 2050 Alliance Temperature alignment: below 2°C Result of the analysis: Scope 3 emission reduction target related to the use of sold products	To define its Scope 3 emission reduction target related to the use of products sold , Safran relied notably on the IEA's Net Zero 2050 and Sustainable Development Scenario (SDS), but also on the ATAG Waypoint 2050 (World) and Destination 2050 (Europe) sector scenarios. In 2021, Safran joined the other aviation sector players of the ATAG in making a commitment to achieve carbon neutrality for civil aviation worldwide by 2050. The Group has therefore set itself the ambitious target of reducing its emissions linked to the use of its products by 42.5% per available seat kilometer by 2035 versus 2018, representing an average annual reduction of 2.5%. This target has been validated by the SBTi. It is based on an assumption, among others, that SAFs will be gradually incorporated in line with the pathway in the IEA's 2020 SDS. Safran's target is aligned with the minimum SBTi requirement for a global warming scenario below 2°C (straight-line annual reduction of at least 2.5%).
Physical risk scenario: Representative Concentration Pathway (RCP) 4.5	Source: IPCC Temperature alignment: between 2°C and 3°C Result of the analysis: impacts on sites and adaptation measures to be implemented	To study the impact of climate change on its sites and define the appropriate adaptation measures , Safran used the Intergovernmental Panel on Climate Change (IPCC) RCP 4.5 scenario to establish long-term pathways to 2050. This longer time horizon means it can identify significant trends in physical climate variables at its sites. The risks caused by climate change, such as forest fires, cyclones, extreme heat and floods, could result in damage to the Group's sites, endanger the safety of its employees, and/or jeopardize its business continuity. The exposure of Safran's sites and their value chains to these risks depends on their location.

(1) The absolute contraction method aims to reduce a company's emissions regardless of its growth, i.e., in absolute terms and not relative to its revenue. In other words, it commits the company to reducing its total emissions, regardless of fluctuations in its production or business.

Material impacts, risks and opportunities

[ESRS 2 MDR-P 65a]

The IROs identified in the double materiality assessment concern both physical risks (disruption of operations due to climate events, uninsurability of operations) and transition risks

(inability to meet climate commitments, higher energy costs, compliance costs, lower air traffic growth). The overall impact will depend on the Group's contribution to climate change.

MATERIAL IROS RELATING TO CLIMATE CHANGE

[ESRS 2 MDR-P 65a]

ESG topic 1

Climate and decarbonization challenges (mitigation and adaptation)

IROs	Description	Type	Time horizon	Policies related to IROs
Business disruption due to climate-related events affecting infrastructure and the value chain, resulting in service interruption risk	Disruption to the production or marketing of products and services due to extreme weather events in the value chain, with direct and indirect impacts on the company's operations.	 Physical	ST	Adaptation
Inability to meet stakeholder expectations and reputational damage in the event of failure to meet climate commitments or lack of ambition in the decarbonization strategy	Deterioration of relationships with the different stakeholders, as decarbonization is central to Safran's communicated strategy, with significant consequences for the company's operations.	 Transition	LT	Transition
Increased energy costs, especially for low-carbon energy	Additional costs in the event of an increase in the cost of the energy required for the Group's operations and its value chain, particularly in the transition to low-carbon energy sources, which may be volatile or require additional investment.	 Transition	ST	Transition
Compliance costs and penalties in the event of failure to meet or comply with climate-related commitments and regulations	Fines and litigation costs in the event of failure to comply with international climate and energy performance commitments and agreements, or due to the entry into force of new laws. Write-offs, asset impairments or early retirement of existing assets due to the tightening of climate change mitigation regulations.	 Transition	MT	Transition
Uninsurability of operations due to climate-related risks	Absence of insurance coverage for the Group or reduction of its coverage and/or increased insurance costs for operations in countries highly exposed to the consequences of climate change.	 Physical	LT	Adaptation
Endangerment of value chain workers at sites exposed to the effects of climate change	Endangerment of value chain workers at sites exposed to the effects of climate change.	 LT	LT	Adaptation
Amounts invested in decarbonization and financial losses due to decisions to invest in unsuitable technologies	Amounts invested in innovation and R&T to decarbonize own operations and the sector, financial risks associated with investments in disruptive technologies that may prove unsuitable, and other costs incurred to decarbonize own operations and the value chain, and to implement proactive measures to reduce the carbon footprint of the value chain.	 Transition	LT	Transition
Contribution to climate change through Group and sector GHG emissions (Scopes 1, 2 and 3)	Negative environmental impacts related to the GHG emissions of the Group and its value chain, both now and in the future, if the decarbonization pathway and climate change mitigation measures prove insufficient or ineffective (Scopes 1, 2 and 3).	 ST	ST	Transition
Slower air traffic growth due to rising ticket prices, tighter regulations, higher taxes and changing consumer habits	Slower air traffic growth due to behavioral changes in certain geographic areas or stricter regulations. Implementation of regulations unfavorable to commercial and business aviation.	 Transition	ST	Transition

 Positive impact;  Negative impact;  Risk;  Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

Resilience analysis

[E1.SBM-3 19a] [E1.SBM-3 19b E1.SBM-3_03 and E1.SBM-3_04] [E1.SBM-3 AR7b] [E1.SBM-3 19c] [E1.SBM-3 AR8b]

As mentioned above, as a global industrial player, Safran is exposed to the effects of climate change from various perspectives:

- transformational changes in economic, social and political landscapes due to the transition to low-carbon economies, which could impact production processes and operating costs, as well as products themselves and customer demand (transition risks);
- more frequent occurrence of extreme weather events (floods, storms, heat waves, etc.) that could damage Group assets and disrupt production and logistics chains (physical risks).

Understanding and anticipation of these effects in order to mitigate the risks and seize the associated opportunities are integrated into the Group's strategy at various levels:

- research and development efforts are focused on developing innovative products and processes with a lower environmental impact, which contributes in a practical way to limiting the Group's exposure to transition;
- the Group has made emissions reduction commitments enabling it to contribute to global emissions reduction efforts and therefore limit its exposure to transition risks.

With a view to structuring its policy for managing climate change impacts, in 2019 Safran updated its overall approach for assessing climate risks for its assets, industrial processes and logistics. The underlying aim of the approach is to objectify and quantify the potential consequences of climate change risks for Safran and then to identify the appropriate ways of managing them. This means that the Group can test and improve the resilience of its activities, gradually adapting its choices (CapEx, locations, insurance strategy, etc.) and its operating procedures.

The resilience analysis was carried out over a time horizon up to 2050, based on different scenarios (see sections 5.1.2.1.3 and 4.3.2.4).

In late 2024, Safran launched a new analysis of physical climate risks at all its sites in order to confirm or update its resilience analysis over the much longer-term (see section 5.1.2.1.4. and section 4.3.2.4).

5.1.2.1.4 Climate change mitigation and adaptation

Policies

[ESRS 2 MDR-P 65e] [ESRS 2 MDR-P 65f]

Safran takes its stakeholders' expectations into account in constructing, deploying and improving its sustainability approach. Attention to stakeholders is key to ensuring sustainable growth and long-term value creation (see section 5.1.1.3), and contributes to enhancing climate change policies.

Climate change mitigation policy

[ESRS 2 MDR-P] [E1-2 24 MDR-P 01-06] [ESRS 2 MDR-P 65a] [ESRS 2 MDR-P 65b] [ESRS 2 MDR-P 65d]

Safran's climate change mitigation policy is a key component of the Group's overall business strategy. The targets set in this policy are part of the Group's global drive to narrow its environmental footprint, and in particular to reduce its carbon emissions, with the aim of:

- reducing its environmental impact by designing products and services that are more efficient throughout their life cycle, supporting the aviation sector's transition in line with the objectives of the Paris Agreement;
- reducing the emissions from its production activities, notably by reducing its energy consumption, and those from its supply chain by bringing its suppliers onto the same progress pathway.

Safran's transition plan (see section 5.1.2.1.2) covers all of its decarbonization targets and levers.

Climate change adaptation policy

The Group's climate change adaptation policy provides for business continuity plans (BCPs) to be put in place in order to, among other things, prepare for the physical risks of climate change, protect workers, visitors and all essential operations, and ensure that the Group remains operational despite extreme weather events. This policy is based on best practices in terms of operational resilience, which are overseen by the Industrial, Purchasing and Performance department, and involves regular communication with local teams as well as dedicated training.

Description of the processes to identify and assess climate-related physical risks

[E1.IRO-1 20b] [E1.IRO-1 AR11a] [E1.IRO-1 AR11b] [E1.IRO-1 AR11c] [E1.IRO-1 AR11d] [E1.IRO-1 21] [E1.IRO-1 AR13 and AR14]

Safran's risk map identifies the physical risks associated with climate change, such as extreme weather events (see section 4.3.2.4).

At the end of 2019, Safran conducted an analysis of physical climate risks up to 2050 based on a global warming scenario of between +2 and +3°C by 2100 (IPCC RCP 4.5 scenario), for 208 Group sites in 15 different countries. Six types of physical risk were analyzed: sea-level rises, water stress, heat waves, cyclones, floods and fires. The analysis enabled the Group to identify sites with a high overall climate risk with this classification taken into account in the Group's risk management process.

In late 2024, the Group updated its analysis of physical climate risks, extending it to cover virtually its entire scope. It covered the time horizons up to 2030, 2050 and 2090 and was based on two global warming scenarios for 2100 defined by the IPCC, i.e., between +2 and +3°C (SSP2-4.5 scenario) and between +4 and +5°C (SSP5-8.5 scenario). The climate hazards considered relate to temperature (heat waves, cold waves, wildfires, etc.), wind (storms, cyclones, tornadoes, etc.), water (sea-level rises, water stress, hail, flooding, drought, etc.) and ground movement (landslides, etc.).

The materiality of each climate risk also depends on the vulnerability of each site to the risk concerned. The Group began its vulnerability assessment towards the end of 2024, through interviews, and will continue the process in 2025 via local studies for certain critical sites. The results of the updated assessment of physical climate risks will be gradually incorporated into the risk maps of the Group, its companies and its sites.

Based on its double materiality assessment, Safran has concluded that the water and marine resources ESRS disclosure requirement (E3) is not material. Some of the Group's sites are located in areas subject to water stress. In 2024, the volume of water consumed by sites located in areas subject to water stress was 769,663 cu.m.

To strengthen the resilience of its business model, Safran intends to continue building a climate change adaptation plan, which will gradually involve its sites as well as its value chain. With the support of specialized partners, the Group is currently drafting guidelines for drawing up adaptation plans, broken down by type of risk.

Actions and resources in relation to climate change policies

[ESRS 2 MDR-A] [E1-3 28 MDR-A_01-12]

The actions related to climate change that are included in the transition plan are described in section 5.1.2.1.2.

Regarding actions related to climate change adaptation, the Group has implemented a number of measures to limit physical climate risks, including:

- business continuity plans (BCPs), backed by a representative per company in charge of coordinating the process at company-level. The aim of a BCP is to guarantee a certain degree of continuity of the Group's essential operations in an environment disrupted by a major climate event, and to enable operating conditions to return to normal as quickly as possible. The BCP process is coordinated at Group level by the Industrial, Purchasing and Performance Department, and is regularly reviewed at site level;
- Safran is also deploying a "major risks" roadmap, which takes into account physical climate risks in light of the increasing frequency and intensity of climate events. Since 2023, "emergency response data sheets" have been provided to the Group's sites (they previously existed in the form of data sheets included in the sites' Crisis Manuals). These data sheets set out the rules and measures to be taken during episodes of heat stress, flooding, pollution or drought in order to protect the health of employees and the safety of property;

- for example, the Group has launched initiatives to secure roofs at its sites that are the most exposed to the risk of hail;
- in addition, sites that are exposed to the risk of extreme weather events (such as floods or storms) draw up procedures for securing the site and building up emergency inventories.

[ESRS 2 MDR-A 68d] [ESRS 2 MDR-A 68c] [ESRS 2 MDR-A 69a] [ESRS 2 MDR-A 69b] [ESRS 2 MDR-A 69c]

See section 5.1.2.1.2, Transition Plan for details of CapEx/OpEx dedicated to climate change mitigation and adaptation.

[E1-3 AR21]

The Group uses CapEx and OpEx to achieve the goals of its transition and adaptation plan and takes these expenditures into account in its financial forecasts.

Metrics and targets

[E1-4] [ESRS 2 MDR-T] [E1.MDR-T] [E1-4 32] [E1-4 33] [E1-4_34a, b E1-4_02, E1-4_04, E1-4_07, E1-4_10, E1-4_13, E1-4_05, E1-4_08, E1-4_11, E1-4_14, E1-4_03, E1-4_06 and E1-4_17]

The main transition plan-related targets set by the Group and progress made towards achieving those targets are described in sections 5.1.2.1.2 and 5.1.2.1.6.

Concerning its targets related to climate change adaptation, the Group intends to set its priorities during 2025 after completing its analysis of physical climate risks that is currently in process.

[E1-4 34b] [E1-4 34a]

Safran's emissions reduction targets have been identified and set based on a full GHG inventory that covers the most significant emissions categories (Scopes 1 and 2, Scope 3 use of sold products) as well as the categories for which the Group's employees can take decarbonization action (Scope 3 business travel and commuting). In 2024, these targets covered 90% of the Group's emissions.

In addition, Safran has set a target to mobilize its Top 400 suppliers in order to address Scope 3 emissions related to purchased goods and services (see section 5.1.2.1.2).

See Breakdown of Safran's emissions throughout its value chain diagram in section 5.1.2.1.2.

5.1.2.1.5 Energy consumption and mix

[ESRS 2 MDR-M] [ESRS 2 MDR-M 75] [E1-5] [E1-5 37] [E1-5 37a] [E1-5 37b] [E1-5 AR34] [E1-5 37c] [E1-5 37c i, ii and iii] [E1-5 AR34] [E1-5 38] [E1-5 38a] [E1-5 38b] [E1-5 38c] [E1-5 38d] [E1-5 AR34] [E1-5 39 E1-5_16 and E1-5_17]

Summary table of energy consumption and mix

SUMMARY TABLE OF ENERGY CONSUMPTION

Type of energy source	Energy source	2024
Fossil sources	Natural gas – LPG (MWh LHV)	896,554
	Coal (MWh LHV)	0
	Light fuel oil (MWh LHV)	13,005
	Aviation fuel (MWh LHV)	142,168
	Heavy fuel oil (MWh PCI)	86
	Other energy sources (bought steam, energy from waste, etc.) (MWh)	21,368
	Purchased non-renewable electricity from fossil fuels (MWh)	226,809
	Total energy consumption from fossil sources (MWh)	1,299,991
Nuclear sources	Share of fossil sources in total energy consumption (%)	55%
	Total energy consumption from nuclear sources (MWh)	473,797
	Share of nuclear sources in total energy consumption (%)	20%
Renewable sources	Renewable electricity (MWh)	538,110
	of which purchased renewable electricity (MWh)	319,248
	of which self-generated renewable electricity (MWh)	26,545
	Consumption of fuels from renewable sources, including biomass and biogas (MWh LHV)	46,972
	Total energy consumption from renewable sources (MWh)	585,081
	Share of renewable sources in total energy consumption (%)	25%
TOTAL ENERGY CONSUMPTION (MWh)		2,358,869

[E1-5 40] [E1-5 41] [E1-5 43]

According to Commission Delegated Regulation (EU) 2022/1288, which defines the high climate impact sectors listed in Annex I, sections A to H and section L, of Regulation (EC) 1893/2006 of the European Parliament, Safran's activities are mainly carried out in the following high climate impact sectors:

- manufacture of instruments and appliances for measuring, testing and navigation (26.51);

- manufacture of other electrical equipment (27.90);
- manufacture of air and spacecraft and related machinery (30.30);
- electrical installation (43.21).

The Group's total energy consumption can then be used to calculate the energy intensity in relation to the Group's net revenue, as reported in the consolidated financial statements.

ENERGY INTENSITY TABLE

Energy intensity per net revenue	2024
Energy intensity of activities in high climate impact sectors (total energy consumption divided by net revenue) (MWh/€ millions)	85
Total energy consumption from activities in high climate impact sectors (MWh)	2,358,869
Net revenue consumed (in € millions) (January 1-December 31)	27,716

Breakdown of energy production, consumption and sales

[ESRS 2 MDR-M 77a]

At several of its sites, Safran produces more energy than it consumes. Energy produced on-site, broken down into energy self-consumed and sold, is shown in the table below.

ENERGY BREAKDOWN (CONSUMPTION AND SALES)

[ESRS 2 MDR-M 77a]

Energy source	2024
Total renewable electricity produced on site (MWh)	26,545
of which self-consumption (MWh)	25,386
of which sold (MWh)	1,158
Total non-renewable electricity produced on site (MWh)	12,310
of which self-consumption (MWh)	12,310
of which sold (MWh)	0

5.1.2.1.6 Gross Scopes 1, 2 and 3 emissions and Total emissions

[ESRS 2 MDR-M] [ESRS 2 MDR-M 75]

Recap of emissions

[E1-3 29b] [E1-6 AR46d] [E1-6 44] [E1-6_50] [E1-6 AR52] [E1-6 48a] [E1-6 AR48b] [E1-4 34]

A summary of Safran's emissions in 2024 is provided in the table below, compared against 2023 and the base year (2018).

SUMMARY TABLE OF EMISSIONS VS BASE YEAR AND TARGETS

[E1-6 AR48]

	Retrospective				Milestones and target years		
	2018 (base year)	2023	2024	2024/2018 change	2025	2030	2035
SCOPE 1 EMISSIONS							
1-1. Direct emissions from stationary combustion sources	197,653	156,545	160,771	-18.7%			
1-2. Direct emissions from mobile combustion sources	3,527	2,322	2,707	-23.2%			
1-3. Direct emissions from physical or chemical processes	-	-	-	-			
1-4. Direct fugitive emissions	18,610	9,873	12,232	-34.3%			
Gross Scope 1 emissions (tCO₂eq)	219,790	168,740	175,711	-20.1%			
Percentage of Scope 1 emissions from regulated emission trading schemes (%) ⁽¹⁾	N/A*	N/A*	11.1%	N/A*			
SCOPE 2 EMISSIONS							
2-1. Indirect location-based emissions from electricity consumption (tCO ₂ eq)	374,449	267,573	291,927	-22.0%			
2-2. Indirect location-based emissions from the use of steam, heat or cooling (tCO ₂ eq)	8,737	3,330	4,101	-53.1%			
Gross location-based Scope 2 emissions⁽²⁾ (tCO₂eq)	383,186	270,903	296,028	-22.7%			
2-1. Indirect market-based emissions from electricity consumption (tCO ₂ eq)	350,149	203,028	142,234	-59.4%			

	Retrospective				Milestones and target years		
	2018 (base year)	2023	2024	2024/2018 change	2025	2030	2035
2-2. Indirect market-based emissions from the use of steam, heat or cooling (tCO ₂ eq)	8,738	3,329	4,101	-53.1%			
Gross market-based Scope 2 emissions⁽³⁾ (tCO ₂ eq)	358,887	206,357	146,335	-59.2%			
SCOPE 1 AND 2 EMISSIONS							
Gross location-based Scope 1 and 2 emissions (tCO ₂ eq)	602,976	439,643	471,739	-21.8%			
Gross market-based Scope 1 and 2 emissions (tCO ₂ eq)	578,677	375,097	322,046	-44.3%	376,140	287,024	
SIGNIFICANT SCOPE 3 EMISSIONS							
Total gross indirect (Scope 3) emissions (tCO ₂ eq)	119,352,341	68,124,130	70,611,741	-40.8%			
1. Purchased goods and services	4,961,000	5,780,000	6,642,000	+33.9%			
3. Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	118,591	103,705	118,073	-0.4%			
4. Upstream transportation	264,700	272,700	286,000	+8.0%			
5. Waste generated in operations	21,000	17,345	21,488	+2.3%			
6. Business travel	68,450	38,780	39,370	-42.5%		34,225	
7. Employee commuting	118,600	111,600	104,810	-11.6%		59,300	
11. Use of sold products ⁽⁴⁾	113,800,000	61,800,000	63,400,000	-44.3%			
TOTAL EMISSIONS							
Total location-based emissions (tCO ₂ eq)	119,955,317	68,563,773	71,083,480	-40.7%			
Total market-based emissions (tCO ₂ eq)	119,931,018	68,499,227	70,933,787	-40.9%			
SCOPE 3 CATEGORY 11 EMISSIONS							
11. Use of products sold ⁽⁴⁾ – intensity value (gCO ₂ eq/seat.km)	5.9	4.3	5.05	-14.7%			3.4

(1) The three sites covered by the Emissions Trading Scheme (ETS) have taken steps to exit the scheme, notably through projects to replace natural gas with alternative energy sources such as geothermal, electrification and waste heat recovery.

(2) The location-based method quantifies Scope 2 emissions based on average energy generation emission factors for defined geographic locations, including local, subnational, or national boundaries.

(3) The market-based method quantifies Scope 2 emissions based on the emissions from the producers from which Safran contractually purchases (i) electricity with bundled instruments, or (ii) unbundled instruments on their own, such as guarantees of origin or renewable energy certificates.

(4) Emissions related to the use of sold products in absolute value (tCO₂) or intensity value (gCO₂eq/seat.km) take account of the use of sustainable aviation fuel in the fuel blend (see section 5.1.2.1.6 Methodology note about the measurement of emissions).

* N/A: Not available.

NB:

- The Scope 1 and 2 emissions of entities that are not consolidated by the Group in its financial statements but which are under its operational control and fall within the reporting scope have been included in the above table and not disclosed separately as they are not considered material (approximately 4% of total market-based Scope 1 and 2 emissions).
- Safran has set a single target for Scope 1 and 2 emissions. Within the scope of its operations and transition plan, Safran is undertaking decarbonization actions that could lead to a shift in emissions from Scope 1 to Scope 2 (for example where natural gas is replaced by electricity). The target for Scopes 1 and 2 has been validated by the SBTi as a single target. The Scope 1 and 2 emissions are very low (0.5% in 2024) with respect to overall scope 1, 2 and 3 emissions.

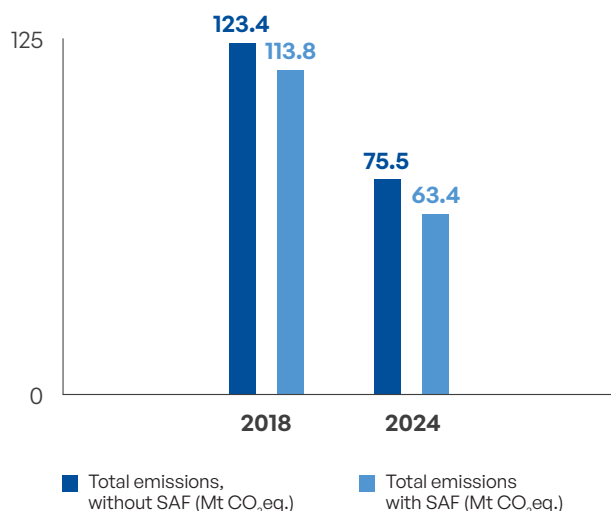
- For Scope 3 emissions related to the use of sold products:

- Safran has set an intensity target measured in available seat kilometer, a standard unit that measures the carbon efficiency of Safran products by delivered aircraft capacity and distance flown. This target has been validated by the SBTi. The Group's choice of setting an intensity target and not an absolute value [ESRS E1-4 34] was based on (i) the relevance of this indicator in light of Safran's decarbonization levers and technological roadmap, which contribute to reducing emissions linked to the use of products, and (ii) Safran's contribution to aviation emissions reduction as aeronautics equipment supplier. Safran does report yearly Scope 3 emissions linked to the use of sold products in absolute terms.

- 2024 was atypical: Boeing's deliveries went down sharply, resulting in a significant decrease in the volume of seat kilometers generated by aircraft delivered in 2024 compared with 2023. At the same time, Safran continued to deliver engines and equipment, which explains the slight increase in emissions related to the use of its sold products. These

developments led to an increase in the intensity indicator expressed in gCO₂/seat kilometer compared with 2023. The intensity indicator would have decreased slightly compared with 2023 if Boeing aircraft deliveries had been as announced at the beginning of 2024. The 2024 intensity indicator was 14.7% lower than the 2018 base year.

BREAKDOWN OF SAF INCORPORATION IMPACT ON SCOPE 3 USE OF SOLD PRODUCT EMISSIONS



Scope 2 emissions associated with the purchase of electricity through contractual instruments

[E1-6 AR45d E1-6_18 E1-6_19 E1-6_21 E1-6_22 and E1-6_23]

CONTRIBUTION FROM POWER PURCHASE AGREEMENTS

Electricity consumption covered by	2024
Purchase agreements without carbon-free energy requirements (MWh)	880,769
Related certificates⁽¹⁾ (MWh)	27,238
Emission gains (tCO ₂ eq)	3,704
Gross market-based Scope 2 emissions (%)	2.5%
Unrelated certificates⁽²⁾ (MWh)	192,610
Emission gains (tCO ₂ eq)	88,659
Gross market-based Scope 2 emissions (%)	60.6%
Power Purchase Agreements (PPA)⁽³⁾ (MWh)	23,314
Emission gains (tCO ₂ eq)	14,758
Gross market-based Scope 2 emissions (%)	10.1%
Other renewable energy purchase agreements⁽⁴⁾ (MWh)	76,085
Emission gains (tCO ₂ eq)	33,845
Gross market-based Scope 2 emissions (%)	23.1%

(1) Energy attribute certificates purchased as part of a power purchase agreement.

(2) Energy attribute certificates purchased independently of a power purchase agreement.

(3) Long-term agreements with a renewable energy producer for the direct purchase of electricity from new production facilities.

(4) Agreements that do not meet all the criteria of a PPA but are equivalent.

List of Scope 3 emissions categories included in the inventory

[E1-6 AR46I E1-6_27]

Analysis of the Scope 3 emissions categories listed by the GHG Protocol resulted in seven of the 15 categories being classified as significant for the Group:

- 1. Purchased goods and services;
- 3. Fuel- and energy-related activities;
- 4. Upstream transportation;
- 5. Waste generated in operations;
- 6. Business travel;
- 7. Employee commuting;
- 11. Use of sold products.

List of Scope 3 emissions categories excluded from the inventory

[E1-6 AR46g]

Based on an analysis of the Scope 3 emissions categories listed by the GHG Protocol, 8 of the 15 categories have been excluded as they were considered not applicable to, or not significant for, the Group:

- **2. Capital goods:** most emissions associated with the purchase of fixed assets are already reported in the purchased goods and services category (category 1 of Scope 3). Emissions associated with fixed assets that are not included in the purchased goods and services category are estimated at less than 0.1% of total Scope 3 emissions and are therefore not material;

- **8. Upstream leased assets:** as emissions associated with assets leased by Safran are already reported under Scopes 1 and 2, this category is not applicable;
- **9. Downstream transportation and distribution** this category is limited to the transportation of goods from Safran entities to their customers, paid for by those customers. This scenario is not frequent and is not currently taken into account;
- **10. Processing of sold products:** as Safran supplies products or systems that do not require transformation, the operations carried out by our customers consist mainly of assembly or installation. These emissions are estimated to represent less than 0.4% of total Scope 3 emissions and are therefore not material;
- **12. End-of-life treatment of sold products:** Safran's products are mainly made of metal and composite materials. Emissions associated with their end-of-life are estimated at less than 0.02% of total Scope 3 emissions and are therefore not material;
- **13. Downstream leased assets:** asset leasing is not part of Safran's business model, this category is therefore not applicable;
- **14. Franchises:** as Safran does not have franchises, this category is not applicable;
- **15. Investments:** emissions linked to Safran's capital expenditure are estimated at less than 0.1% of total Scope 3 emissions, and are therefore not material.

Breakdown of Scope 1 and Scope 2 emissions by geographic area

[E1-6 AR41] [E1-6 49a, 52a] [E1-6 49b, 52b] [E1-6 44, 52a] [E1-6 44, 52b]

BREAKDOWN OF SCOPE 1 AND SCOPE 2 EMISSIONS BY GEOGRAPHIC AREA

Geographical area	Gross Scope 1 (tCO ₂ eq)	Gross Scope 2 – location-based (tCO ₂ eq)	Gross Scope 2 – market-based (tCO ₂ eq)
Europe	94,629	69,411	26,820
Americas	52,908	119,597	50,177
Africa and Middle East	3,676	20,162	19,401
Asia and Oceania	24,498	86,859	49,937

Summary table of emissions intensity per net revenue

[E1-6 53] [E1-6_30 and E1-6_31] [E1-6 AR55 E1-6_33 E1-6_34 and E1-6_35] [E1-6 55]

Safran's emissions intensity is calculated by dividing its annual Scope 1, 2 and 3 emissions by its net revenue from January 1 to December 31, as reported in the consolidated financial statements.

EMISSIONS INTENSITY PER NET REVENUE

Emissions intensity per net revenue	2023	2024	Year-on-year change
Total emissions (location-based) per net revenue (tCO ₂ eq/€ millions)	2,899	2,565	-11.5%
Total emissions (market-based) per net revenue (tCO ₂ eq/€ millions)	2,896	2,559	-11.6%
Net revenue consumed (in € millions) (January 1-December 31)	23,651	27,716	+17.2%

Methodology note about the measurement of emissions

[E1-6 47] [E1-6 AR42c] [E1-6 AR39b]

The disclosures related to Scope 1 and 2 emissions are made on a consolidated basis using the same reporting scope as that used for the Group's consolidated financial statements as presented in chapter 1.6 of the Universal Registration Document, and also include non-consolidated subsidiaries that are more than 50%-owned. In addition, the reporting scope for Scopes 1 and 2 emissions includes the following joint ventures over which Safran exercises operational management: Aero Gearbox International Poland, Aero Gearbox International, Ceramic Coating Center SAS, Snecma Hal Aerospace Private Limited, Airfoils Advanced Solutions SAS, Sichuan Services Aero-Engine Maintenance. For each entity, sites below the materiality threshold have not been included in the reporting scope. The reporting scope changed in 2024, with the inclusion of five sites following the acquisitions of Orolia, Sylinks and the Thales Aeronautical Electrical Systems business.

The reporting scope for the various Scope 3 categories is set out below.

[E1-6 39b]

Emissions are classified as Scopes 1, 2 and 3 using the regulatory methodology for emissions accounting.

The reporting period is the calendar year from January 1 to December 31, 2024.

Scopes 1 and 2

Safran measures the carbon footprint of its activities and energy consumption on Scopes 1 and 2, in line with the general framework proposed by the GHG Protocol. The figures take into account the increase in business, which has a significant impact on electricity and gas consumption. Carbon accounting, common to all Group companies, is based on international standards, namely the GHG Protocol, the International Energy Agency (IEA), ISO 14064-1-2016 and ADEME.

Scope 1: includes direct emissions linked to the combustion of energy sources such as natural gas, liquefied petroleum gas, heating oil or diesel, heavy fuel oil and aviation fuel, as well as emissions related to refrigerant leaks during recharging at Safran sites. Direct emissions from biogas are also included in the Scope 1 calculation.

Scope 2: includes indirect emissions from the generation of purchased electricity, steam, heat or cooling consumed by the Group. The emission factor for electricity only takes combustion into account.

Scope 2 emissions are calculated using two methods:

- the **location-based method** corresponds to CO₂ emissions calculated based on the average emission factors for the electricity networks in the countries in which Safran conducts business. These “country” emission factors are sourced from ADEME for the years 2018-2020 and from the IEA from 2021 onwards. They do not take into account the purchase of renewable electricity with guarantee of origin;
- the **market-based method**, which corresponds to emissions calculated based on the emission factors for the energy suppliers under contract with Safran, including guarantees of origin.

Scope 3

[E1-6 AR46h]

Scope 3 includes other indirect emissions that occur either upstream (purchased goods and services, business travel and employee commuting) or downstream (transportation and use of sold products) of Safran's activities.

Use of sold products

In accordance with the GHG Protocol and the principles discussed within the French Aerospace Industries Association (GIFAS) and the international Aerospace Environmental Group (IAEG), Safran calculated emissions resulting from the use of its sold products in two sub-categories, for which the methodology used is similar:

- **emissions directly linked to use of sold products:** for Safran, this corresponds to emissions linked to the use of products in the area of propulsion (engines or engine subsystems, and nacelles);
- **emissions indirectly linked to use of sold products:** these are emissions allocated to equipment and cabin interiors whose energy consumption is negligible, such as seats or landing gear. The use of this equipment is associated with emissions from the aircraft on which it is fitted, but the equipment itself is not the direct source of these emissions.

Calculating emissions requires numerous assumptions:

- The assessment was confined to the civil aviation sector (commercial aircraft, helicopters, large business jets). Safran's products in the general aviation (private aircraft) and military aviation sectors, as well as in other sectors (defense ships, armored vehicles, etc.) are not included in the Scope 3 “Use of sold products” measurements as they appear to be negligible (around 2.2% of reported emissions). Joint programs, in which Safran participates in the investments and shares in the profits, have also been taken into account to the extent of Safran's proportionate share. These contracts are called risk-and revenue-sharing partnerships.
- In accordance with the GHG Protocol methodology, emissions linked to the use of Safran's sold products, which are intermediate goods, are calculated by allocating a portion of the emissions from the aircraft (final products) on which the Group's products are fitted. Safran has elected to use a physical allocation ratio equal to the weight of its products over the weight of the aircraft. This ratio is used to assess the impact of the two areas where Safran is able to take direct technological action, i.e., improving engine fuel efficiency and reducing the weight of all products. Safran used the average aircraft weight as the reference weight for calculating the allocation ratio, rather than the operational empty weight. This provides a closer reflection of the operational reality and better aligns future improvements on Safran's Scope 3 emissions with airlines' Scope 1 emissions, which could be achieved by making equipment lighter. This assumption is also the one recommended by the French Aerospace Industries Association (GIFAS) following collaborative work within the aerospace sector to identify common methodologies.

- Assessing emissions from the use of Safran products therefore involves developing a scenario for the use of the aircraft on which these products are fitted, facilitating the estimation of the corresponding aircraft emissions. Safran assumes the **life of a commercial aircraft to be 22 years**, which is in line with the practices of its two main customers,

Airbus and Boeing. Wherever possible, Safran has used external data (open-source fleet flight data). Given the large number of products, product families have been defined to simplify the calculation, corresponding to the most popular types sold by Safran and therefore the most representative.

Emissions associated with the use of sold products are therefore calculated using the following formula:

$$\text{Emission [Scope 3 – Use of sold products]} = \sum E \times \text{Number of sold products} \times \text{Product lifespan} \times \text{Mass} \left(\frac{\text{Sold product}}{\text{Aircraft}} \right) \times P$$

Where *E* corresponds to the annual emissions of the aircraft on which the product is installed (tCO₂eq/year); and *P* corresponds to Safran's involvement in the product (co-construction, partnership program, etc.).

- Estimating future aircraft emissions also involves making an assumption about the use of sustainable aviation fuels (SAF). These fuels have gained considerable momentum since 2022, with:

- adoption of an incentive framework in the United States;
- the European ReFuel EU Aviation regulation, which sets requirements for aviation fuel suppliers to gradually increase the proportion of SAF blended into the conventional aviation fuel supplied at EU airports, over the period from 2025 to 2050;
- the November 2023 ICAO agreement to work toward a 5% reduction in the carbon content of all aviation fuels by 2030 (CAAF/3, Third Conference on Aviation and Alternative Fuels);
- the adoption of blending targets by many other countries, especially in Asia;
- the signing of a large number of sustainable fuel supply agreements by Western airlines, most of which aim to achieve a blending rate of 10% by 2030.

Production of SAFs continued to rise in 2024, and according to the International Air Transport Association (IATA), it doubled during the year compared with 2023 (1 million metric tons versus 0.5 million) and increased four-fold versus 2022.

For its emissions reporting, Safran took as its central assumption the trajectory of sustainable fuel incorporation, as set out in the 2020 Sustainable Development Scenario of the International Energy Agency (IEA).

Methodology note about the double materiality assessment: the production of SAF for the purpose of EU blending obligations must comply with the requirements of the ReFuel EU Aviation regulation and the Renewable Energy Directive (RED3). For example, SAF made from feed and food crops such as rapeseed and corn is not eligible. Also, Article 29 of the Directive stipulates that in order to qualify as sustainable, energy sources must not have adverse effects on biodiversity, areas of high conservation value (including primary forests), areas designated for the protection of biodiversity, and natural grasslands. For the rest of the world,

the ICAO directives for SAF eligibility under the CORSIA program (Carbon Offsetting and Reduction Scheme for International Aviation), adopted by ICAO member states, specify that as from January 1, 2024, production of SAF should, among other criteria, maintain biodiversity, conservation value and ecosystem services. As part of its first double materiality assessment, the Group considered the topic of biodiversity to be non-material.

In addition to its absolute Scope 3 emissions linked to the use of sold products, Safran also reports its emissions in the form of an indicator of intensity per available seat kilometer. This intensity corresponds to the absolute emissions calculated according to the principles described above, but only including commercial aviation (i.e., excluding helicopters and business aviation, which represent 1.8% of absolute emissions generated by Safran), divided by the volume of traffic (expressed in seat capacity) generated, over their lifetime, by all commercial aircraft delivered in the year in question, on which Group equipment is installed.

Given the many uncertainties affecting the assumptions required for the calculation, the methodology for estimating Scope 3 emissions related to use of sold products may be improved in future years.

Purchased goods and services

The scope of analysis is limited to external purchases by Safran SA and its main consolidated subsidiaries. Intra-Group and partnership purchases (such as CFM joint ventures) are not included. Energy purchases (gas, electricity, aviation fuel) and freight purchases, the emissions of which are included in Scopes 1 and 2, and category 4 of Scope 3 respectively, are also excluded.

The scope accordingly covers 84% of purchases recorded by the Group in 2024 for the corresponding purchase types. The emissions induced by Safran's purchases of goods and services are estimated by applying monetary emission factors that associate emissions with the value of purchases made for the types of goods or services purchased.

Transportation

The scope covers freight paid by Safran, mainly internal transportation (between sites) and downstream transportation. The calculation method used in 2024 is based on a so-called hybrid method, which breaks down as follows:

- 35% of freight-related emissions were calculated by hauliers by applying the physical emission factors associated with the weight, distance and mode of transportation of the quantities transported;
- the remaining 65% were calculated using the monetary method.

The new methodology is being phased in, as it relies on data from “hauliers”, the quality of which varies depending on the haulier concerned. However, it reduces the uncertainty of the calculation.

Business travel

Emissions related to business travel within the reporting scope are calculated based on the business travel monitoring system set up with the Group’s travel agency and business expense management tools. This covers 94% of Group business travel worldwide. All travel categories are taken into account (air, rail, hotels, short-term car rentals, taxis and private vehicles). Emissions are then calculated for each kilometer traveled depending on the mode of transportation selected. Accommodation is estimated for each night spent depending on the hotel chosen. Emissions related to short-term vehicle leasing are calculated only for the main leasing companies and therefore exclude certain smaller companies: the emissions excluded represent approximately 1% of total emissions, which is not material. Emissions related to business travel by air take into account the use of sustainable aviation fuels (SAF), notably through a regulatory SAF inclusion rate for aircraft departing from France and Safran’s partnership with Air France-KLM.

Employee commuting

Emissions related to employee commuting cover 100% of the Group’s employees⁽¹⁾ in 2024. These emissions are estimated based on data collected between 2020 and 2023, taking into account city-to-city distances, the number of legal working days

per year, the modes of transportation used (which are assigned a differentiated emission factor), absenteeism and, for the first time in 2024, telecommuting. Emissions related to employee commuting are based on Safran’s historical data, which have not been updated for several years due to the difficulty of obtaining accurate data. The level of uncertainty remains significant and will be gradually reduced over the coming years.

Waste generated in operations

Emissions associated with the waste generated in Safran’s operations are calculated based on the type of waste and its treatment. Seven categories of waste are used, reflecting Safran’s activities: plastic, wood, cardboard/paper, composites, metal, and other non-hazardous and hazardous waste. Each type of waste is then assigned a treatment: incineration without energy recovery, incineration with energy recovery, material recycling or landfill. Each family-treatment pair is assigned an emissions factor that converts a given amount of waste treated into emissions.

Upstream energy

The calculation is similar to that of the Scope 1 & 2 energy use emissions, except that the emission factors are different and representative of the various stages upstream of the consumption phase (extraction, transportation, distribution, line losses, etc.). The conversion factors are derived from official sources such as ADEME or the International Energy Agency (IEA).

Percentage of Scope 3 emissions calculated using primary data

[E1-6 AR46g] [E1-6 AR45e]

Primary data corresponds to specific, verifiable information, generally provided directly by suppliers or partners or derived from internal measurements, rather than data obtained from generic databases or sector estimates. The percentage of Scope 3 emissions calculated using primary data corresponds to the portion of the value chain emissions calculation based on actual, precise data collected from the relevant sources, rather than on generic data or approximations.

(1) The employees covered include salaried employees on permanent contracts and those on fixed-term contracts.

PERCENTAGE OF SCOPE 3 EMISSIONS INCLUDED IN REPORTING CALCULATED USING PRIMARY DATA

GHG Protocol category	Relevance for Safran	Data source
1. Purchased goods and services	These emissions relate to external purchases made by Safran SA and its main consolidated subsidiaries. Intra-Group and partnership purchases are not included. Energy purchases (gas, electricity, aviation fuel) and freight purchases, the emissions of which are included in Scopes 1 and 2, and category 4 of Scope 3 respectively, are also excluded.	The calculations therefore cover 84% of purchases recorded by the Group in 2024 for the corresponding purchase types. Data sources: 100% secondary data (monetary)
3. Fuel- and energy-related activities	These emissions correspond to indirect emissions generated by the production and transportation of energy (natural gas, electricity, etc.) used at manufacturing sites, prior to its consumption. They are separate from direct emissions (Scope 1) and indirect emissions linked to on-site electricity, heat and cooling consumption (Scope 2).	Calculations are made in a similar manner to Scope 1 and 2 data, based on consumption data for each energy source. Data sources: 100% primary data
4. Upstream transportation	The scope relates to freight paid by Safran, mainly internal transportation (between sites) and downstream transportation.	The calculation method used is based on a so-called hybrid method, with 35% of emissions calculated by hauliers using physical emission factors and 65% of emissions calculated using the so-called monetary method. Data sources: 35% primary data, 65% secondary (monetary) data
5. Waste generated in operations	The emissions associated with waste generated by Safran's activities are calculated based on the seven families of waste applied within the Group's operations.	Calculations are based on waste tonnages, by waste type and by treatment type. Data sources: 100% primary data
6. Business travel	These emissions cover all modes of employee business travel (plane, train, private car, taxi), as well as accommodation.	Calculations are made using professional travel monitoring tools set up with the travel agency and business expense management tools. Data sources: 100% primary data
7. Employee commuting	Emissions related to commuting cover all permanent and temporary Group employees.	Calculations are based on data collected between 2020 and 2024, taking into account city-to-city distances, the number of legal working days per year and the modes of transportation used (which are assigned a differentiated emission factor). Some data (e.g., absenteeism, telecommuting, on-site charging of electric cars, carpooling) were collected in 2024. Data sources: 100% primary data
11. Use of sold products	Absolute value emissions in this category cover the use of Safran's sold products associated with the civil aviation reporting scope (commercial aircraft, helicopters, large business jets). The intensity value (per available seat kilometer) indicator covers absolute emissions restricted to the scope of commercial aviation (excluding helicopters and business jets).	Calculations are based on data from internal reports on Safran products (e.g., sales, weight, consumption), external data (e.g., aircraft weight, distances flown, traffic in available seat kilometers) and assumptions based on external scenarios (IEA and ATAG, etc.). Data sources: 100% secondary data

Methodology for calculating biogenic emissions

[E1-6 43c] [E1-6 AR42c] [E1-4_AR45e] [E1-6 AR46j] [E1-6 AR46i]

Scope 1 biogenic emissions are calculated from the purchase of biogas and the combustion of sustainable aviation fuel (SAF) derived from biomass (bio-SAF) in engine testing at our sites.

For Scope 2 biogenic emissions, Safran purchases small quantities from heating networks in France that are partly powered by the combustion of biomass. Missing data from suppliers made it impossible to calculate a precise figure for 2024. Given the small quantities involved, Safran does not consider its Scope 2 biogenic emissions to be material.

Scope 3 reported biogenic emissions are related to category 11 (use of sold products), while biogenic emissions related to other Scope 3 categories are equal to zero or not material. Biogenic emissions associated with the use of products sold by Safran correspond to emissions associated with the combustion of sustainable aviation fuel (SAF) derived from biomass (bio-SAF). Safran's central assumption is the bio-SAF incorporation trajectory from the International Energy Agency's (IEA) 2020 Sustainable Development Scenario (SDS). The emission factor used for biofuel is the same as the one used for conventional aviation fuel.

Biogenic emissions	2024
Biogenic emissions – Scope 1 (tCO ₂ eq)	4,956
Biogenic emissions – Scope 2 (tCO ₂ eq)	-
Biogenic emissions – Scope 3 (tCO ₂ eq)	9,800,000

5.1.2.1.7 Internal carbon pricing

[E1-8] [E1-8 63a E1-8_01 and E1-8_02] [E1-8 63b] [E1-8 63c E1-8_04 and E1-8_05] [E1-8 AR65]

Safran has had an internal carbon price (ICP) for its capital expenditure since 2020, in the form of a shadow price (with no associated cash flow) set at USD 80/t CO₂eq. The aim of this internal carbon price is to raise awareness among internal investors and to promote greener investments by accelerating the return on investment for the most environmentally friendly ones. The ICP applies to projects such as new buildings and extensions to existing facilities, as well as capital expenditure related to energy efficiency. It is used by all Group companies for CapEx in excess of €150,000.

Safran's methodology for calculating its ICP is based on (i) a study carried out by the World Bank and the CDP (previously carbon disclosure project), (ii) an overview of global explicit carbon prices, and (iii) an analysis of the practices of major French and international groups. In early 2025, the Group re-valued its ICP at €150/tCO₂eq., to bring it into line with regulatory and economic developments.

The ICP is used for Scopes 1 and 2, as well as for Scope 3 Category 4 – Upstream transportation, to calculate return on investment. For Scope 3, the ICP is used to compare transporters

Percentage of emissions covered by the internal carbon price

[E1-8 63d E1-8_06, E1-8_07 and E1-8_08]

It covers 100% of Scopes 1 and 2, and category 4 of Scope 3, which represents approximately 1% of total emissions in 2024. This figure is calculated on the basis of the sum of the emissions of the categories to which the ICP applies, divided by total emissions. As Safran's technological development roadmap is geared towards decarbonization, the ICP does not apply to Scope 3 emissions linked to the use of sold products, which represent around 90% of the Group's total emissions. It would also not be relevant to apply the ICP to upstream Scope 3 "Purchased goods and services" emissions, which account for around 9% of the Group's emissions, due to the difficulty of obtaining a sufficiently reliable product carbon footprint from suppliers (see section 5.1.2.1.6 on the methodology for calculating Scope 3 emissions related to purchased goods and services). Safran has therefore chosen to focus on an analysis of suppliers' maturity in terms of their decarbonization pathways.

5.1.2.2 Management of pollution, waste and substances of concern – ESG topic 3 (ESRS E2)

5.1.2.2.1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

[E2.IRO-1 11a] [E2.IRO-1 11b]

The potential pollution-related impacts, risks and opportunities are based on the Group's "Management of pollution, waste and substances of concern" topic.

For further details about the IRO identification process, see the corresponding section on ESRS 2, section 5.1.1.4.

The double materiality assessment identified one risk and three material negative impacts for Safran. Information on waste management appears in section 5.1.2.3, which complies with the ESRS E5 requirements.

MATERIAL IROS RELATED TO POLLUTION AND SUBSTANCES OF CONCERN AND VERY HIGH CONCERN

[ESRS 2 MDR-P 65a]

ESG topic 3

Management of pollution, waste and substances of concern

IROs	Description	Type	Time horizon	Policies related to the IRO
Additional costs related to the substitution of certain chemical substances used in the product manufacturing process	Risk associated with the investment required to substitute certain chemical substances of concern or very high concern and to comply with regulatory requirements.	Ⓡ	ST	Approach related to restriction and substitution of substances of concern
Endangerment of worker and public health in the event of chemical discharges	Negative impact on the health of local populations in the event of chemical discharges in the vicinity of industrial sites (depending on the hazardous substances used), contributing to the occurrence of respiratory problems/ diseases, cancers, premature deaths or other public health consequences.	Ⓛ-	ST	HSE policy
Disruption of natural ecosystems due to pollution caused by Safran products	Disruption of natural habitats, cycles and behaviors, with an adverse impact on the health of species and negative consequences for flora and other ecosystems.	Ⓛ-	ST	HSE policy
Effects on human health due to pollution caused by Safran products	Negative impact on the health of local communities, employees, value chain workers, customers and consumers in the event of pollution caused by the equipment built.	Ⓛ-	ST	HSE policy

Ⓛ+ Positive impact; Ⓛ- Negative impact; Ⓡ Risk; Ⓢ Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

5.1.2.2.2 Policies

[E2-1 14 E2.MDR-P_01-06] [ESRS 2 MDR-T 80h]

The transition to sustainable aviation is a priority for Safran. This means developing business without undermining the capacity to renew natural resources or the proper functioning of ecosystems. With a determination to lead by example in its development and production methods and its value chain, Safran pays particular attention to reducing the environmental impact of its operations and products. This commitment is an integral part of its sustainability approach.

To manage the risks and negative impacts related to pollution, the Group's Health, Safety and Environment (HSE) policy nurtures a risk management approach and a culture of prevention to defend the health and safety of its employees, partners, suppliers, customers and all other stakeholders concerned by its operations, in a spirit of transparency and sincerity. The HSE policy, signed by the Chief Executive Officer, is a key component of the Group's operating performance. It reflects its commitment to health, safety, the environment and the fight against climate change. The HSE policy applies to all Group players, from company CEOs and senior executives to managers and employees.

The HSE policy is based on global internal HSE Guidelines applied by all Group entities (see section 5.1.3.1.3).

These guidelines have been endorsed by an external organization as meeting the requirements of environmental management (ISO 14001) and occupational health and safety management (ISO 45001) standards. They also meet Safran's specific operational requirements. The HSE Guidelines lay down various standards and their applicable requirements, including in terms of:

- risks and impacts, compliance with regulatory obligations;
- stakeholder involvement (employees and on-site providers), commitment and managerial leadership;
- best practice in respect of physical and chemical risks, health and working conditions, ergonomics, road risk, etc.

In addition to its HSE policy, the Group also works on limiting and substituting chemical substances of concern (see dedicated section below).

All procedures and policies on preventing pollution risks and limiting and substituting chemical substances of concern are published on the Safran intranet, accessible to all employees.

Training is also available to raise employee awareness on key aspects of these policies and procedures.

The HSE policy and approach on limiting and substituting chemical substances of concern are published on the Group's website, in the section on sustainability and corporate social responsibility.

Water and soil management

Water is used by Safran mainly for sanitary purposes. Water from industrial processes that could represent a risk is channeled to continuously monitored treatment facilities or treated off-site by a service provider for purification prior to discharge. Compliant with local regulations, Group sites commission third-party soil and groundwater analyses at their industrial facilities to assess potential pollution risks. Preventive or remediation measures have been implemented wherever necessary.

Control of industrial risks

Safran is committed to controlling its industrial risks and mitigating their impact on the environment (see ERM methodology in section 4.1.1).

Each site undertakes preventive measures to ensure compliance of its installations and to prevent and reduce pollution. The rollout of the Health, Safety and Environment (HSE) Guidelines makes it possible to cover all industrial risks and to ensure compliance with requirements through audits.

Roadmap on the prevention of major risks

Industrial risks are covered in Safran's roadmap on the prevention of major risks. This addresses issues including chemical risks, fire safety and emerging risks.

Risk mapping

The Group Risk and Insurance Department consolidates and charts a comprehensive map of the Group's major risk exposures, and issues appropriate action plans. This consolidation is based on data from the operational and senior management teams of the Group's main subsidiaries, combined with data from the central departments. Supplier relationship risks are identified, integrated into these work programs and managed.

Safran has identified nine HSE risk typologies aligned to applicable standards at Safran sites. These include toxicology, aqueous and gaseous discharges, fires, explosions, radiation, waste, accidents and compliance with regulations.

For each "activity/type of risk" pair, Safran has assessed the criticality of the risk and assigned a rating to each supplier based on the activity with the highest risk coefficient (see section 4.1.1).

All Group sites comply with local regulations on monitoring and tackling diffuse or accidental pollution. Any identified instance of actual pollution or risk of pollution triggers measures to tackle the situation consistent with appropriate applicable practices.

Reducing noise pollution

Safran pays particular attention to reducing the negative impacts of noise pollution during the use of its products.

The increase in air traffic is making aircraft noise a growing concern for residents in the vicinity of airports, as noise can undermine human health when exposure reaches a certain level. Airport resident associations are lobbying against noise.

Noise standards were first introduced in 1970, and the ICAO (International Civil Aviation Organization) has regularly tightened them throughout the world ever since. Some airports also impose additional constraints determined by specific local conditions (traffic, local population, etc.). In 2012, in its Flightpath2050 vision, the European Union set the target of reducing perceived aircraft noise by 65% by 2050 compared with 2000. To meet these requirements, Safran is working to lessen the noise emissions of its engines and equipment and cooperating in research with aircraft manufacturers, helicopter manufacturers and the largest French and European laboratories, notably ONERA⁽¹⁾ and the German Aerospace Center (DLR)⁽²⁾.

Limitation to the use of substances of concern and phase-out of substances of very high concern

[E2-115b] [ESRS 2 MDR-T 80h]

Overall approach

Safran aims to limit the use of substances of concern for health and the environment in all of its operational activities in order to achieve the objective of reducing its environmental footprint, as stated in its HSE Policy. Safran complies with the requirements of the European Union's REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) and POP (Persistent Organic Pollutant) regulations, which aim to improve the protection of human health and the environment against the risks related to chemical substances.

(1) Office national d'études et de recherches aéronautiques: French National Aerospace Research Office.

(2) Zentrum für Luft- und Raumfahrt.

Safran's approach is to identify substances potentially of concern as early as possible to prohibit their use right from the design phase or to limit such use, by seeking safer alternatives where possible. The aim is to reduce the environmental impact of its activities. Given the magnitude of the matter at hand, substitution efforts must be prioritized allowing for risk of obsolescence, either regulatory or commercial, to prevent any risk of business interruption.

In general terms, the substances used by Safran perform a technical function required to ensure aviation safety, Safran's absolute priority, uninterrupted operation of safety or defense equipment, or other purposes essential to operation of the Company. Any replacement solutions must be capable of performing the required function with performance sufficient to provide the required service, and of offering greater safety.

Where technical solutions exist and are economically viable, industrial rollout can only proceed after lengthy phases of qualification and certification by aviation authorities (such as EASA⁽¹⁾ in Europe and FAA⁽²⁾ in the United States). This means that in many cases, Safran's use of chemical substances falls within the scope of the "essential use concept" as defined by European Commission communication C/2024/2894.

Note that the products manufactured by Safran take the form of equipment used in the aerospace and defense sectors. During their service life, use under normal conditions does not generally involve any disposal of the substances used in manufacture.

Governance and internal procedures

Actions concerning substances are coordinated Group-wide by the Materials and Processes Department, part of the Strategy, Technology and Innovation Department. Actions are rolled out across Group companies and entities with the support of various departments, including the Industrial, Purchasing and Performance Department, the Health, Safety and Environment Department, the Risk and Insurance Department and the Climate and Environment Department.

Substances Committee meetings are organized quarterly to ensure overall progress and set strategic guidelines. This Committee includes members from the Industrial, Purchasing and Performance Department, the Technical Department, the Materials and Processes Department, the Sustainability Department, the Health, Safety and Environment Department and the Risk and Insurance Department.

Each of the Group's tier-one entities has appointed a substances manager to oversee matters relating to substances, under sponsorship from a member of the Executive Committee, who ensures the allocation of sufficient resources for the task. The substances manager manages substances activities throughout the company and its subsidiaries, coordinates with other Group entities, reports on the entity's expectations and topics, and implements Group substances strategy through the entity.

Safran has rolled out a responsible management approach for substances of concern and substances of very high concern, based on three principles: anticipate regulatory requirements, substitute and control.

This approach is based on a procedure applicable across all Group activities and entities, setting out rules to be observed in the choice of chemical substances and in the priority criteria adopted for substance substitution. This procedure is backed by an in-house list of substances graded by danger level and risk of obsolescence. The use of substances of very high concern is forbidden for products at the development phase, and substitution of these substances is triggered for products in serial production. The list also includes substances of concern for which risk of obsolescence is identified.

Requirements on substances of very high concern are extended to suppliers via the SAFe procedure (Safran requirements applicable to external service providers).

5.1.2.2.3 Actions and resources

Actions and resources on pollution prevention and management

[E2-2 18] [E2.MDR-A_01-12] [ESRS 2 MDR-A 68a]

Safran runs improvement action plans to prevent pollution risks. In 2024, the Group continued rollout of the following actions and resources:

Prevention and protection

Action plans are systematically implemented to continuously improve site and personnel protection.

Expansion and renovation projects undergo fire safety reviews to ensure appropriate prevention and protection actions are included. This extends to the management of water for fire extinguishing.

In 2023 and 2024, at the request of the Executive Committee, Safran conducted an international survey of all employees' perceptions of the health and safety culture. In addition to the questionnaire, over a hundred group interviews were conducted to enrich the responses. Heightened prevention actions are implemented on the basis of the survey findings.

Budgets on risk prevention, in line with the Group, company and site objectives and roadmaps, are an integral part of the overall budgets of the Risk and Insurance Department and of each entity (including human resources, financial planning and capital expenditure plans).

Business continuity plan

Industrial sites develop business continuity plans on an ongoing basis to ensure their ability to safeguard operations or attenuate impacts in the event of risk.

Pollution treatment

Any identified instance of actual pollution or risk of pollution triggers measures to tackle the situation consistent with appropriate applicable practices.

When non-compliance is identified, treatment of diffuse or accidental pollution usually involves these stages:

- background and documentary study to identify potential pollution sources;
- invasive sampling to confirm the presence of pollution sources;
- elimination of the source and treatment of surroundings if necessary;
- surveillance to confirm removal or reduction of the pollution.

(1) EASA: European Aviation Safety Agency.

(2) FAA: Federal Aviation Administration.

Management of diffuse or accidental pollution

When a management plan is needed, the company allocates a provision to cover the costs required. The Group assesses the risks associated with industrial investment projects. Prevention plans are drawn up to attenuate the risks and vulnerabilities identified, along with specific management measures.

Upstream value chain actions

The main challenges concern air and water pollution, primarily among suppliers involved in metal extraction and transformation.

Safran works with suppliers that manage their own social and environmental risks and those of their own supply chains. Safran seeks to obtain suppliers' commitments to comply with Group requirements on the development of innovative products and processes with a lower environmental impact.

Since 2024, Safran has used the EcoVadis solution to assess its suppliers' environmental commitments (see section 5.1.4.2.2).

Actions and resources on the substitution of substances of concern and very high concern

[E2-2 18 E2.MDR-A_01-12] [E2-2 19 AR14] [ESRS 2 MDR-A 68b]

Key actions in 2024 related to the continued industrial use of chromate-free (chrome VI) processes, which affect a large number of parts.

Note that the Group uses chromates chiefly for surface treatments. These compounds play an important role in metal alloy corrosion protection, a key property for the certification of aerospace materials.

Renewed authorizations for use in the aviation, defense and space sectors, obtained in Europe and the United Kingdom, ensures business continuity from a regulatory viewpoint.

The main challenge remains that of approval from customers or aviation authorities on changes in definition, plus support for supply chain take-up of new industrial processes.

Safran is seeking the promptest possible replacement of processes using chromates in Europe, then worldwide, as soon as technical solutions that do not jeopardize aviation safety are available. Rollout of the process across the whole of the scope concerned should proceed for several years.

[ESRS 2 MDR-A 68c] [ESRS 2 MDR-A 68d] [ESRS 2 MDR-A 69ab] [ESRS 2 MDR-A 69ac] [E2-2 AR13]

Substances resources are mostly allocated by companies or entities, often at Project or Program level. The aim is that the topic should be fully integrated in the equipment development or production cost.

Actions on reducing noise pollution

Noise from product use is a criterion included in the work of engine R&T and R&D teams.

In fifty years, world aviation has reduced aircraft noise by an average of 80%. Between the most optimized versions of CFM56 engines from the early 2000s and the LEAP engine (2016), an average cumulative improvement of 12 decibels (certified level) has been achieved. The transition from the A320ceo to the A320neo results in a reduction of more than 50% of the ground noise footprint, i.e., the area affected by noise during take-off and landing.

5.1.2.2.4 Targets

[ESRS 2 MDR-T 80a] [E2-3 22 AR 19 E2.MDR-T_01-13] [E2-3 23a] [E2-3 23b] [E2-3 23c] [E2-3 25] [ESRS 2 MDR-T 80f] [ESRS 2 MDR-T 80i] [ESRS 2 MDR-T 80g]

Roadmaps on pollution have been charted to anticipate and comply with locally specified regulations and thresholds. Given the extent and variety of activities and locations, there are no Group-wide quantitative targets on pollutant emissions and discharges. The Group complies with all applicable national, supranational and international laws and regulations on pollution across all its sites. Safran also meets locally specified thresholds on pollutant emissions and discharges.

With regard to substances, Safran aims to identify substances potentially of concern as early as possible, to prohibit their use from the design phase or to limit such use, by seeking safer alternatives where possible. The aim is to reduce the environmental impact of its activities. Given the magnitude of the matter at hand, substitution efforts must be prioritized allowing for risk of obsolescence, either regulatory or commercial, to prevent any risk of business interruption.

Safran is seeking the promptest possible replacement of processes using chromates in Europe, then worldwide, as soon as technical solutions so allow. Rollout of the process across the whole of the scope concerned should proceed for several years.

Targets could be changed to comply with changing regulations on pollution and discharge of substances of concern.

Safran's targets are set to comply with regulations, the requirements of which are specified by the relevant authorities and documented by sound scientific work.

Safran is also implementing a comprehensive approach to improve the traceability of substances in all its activities.

5.1.2.2.5 Measures

Air, soil and water pollution

[E2-4 28a] [E2-4_01], [E2-4_02] [E2-4_03] [E2-4 30a] [E2-4 31]
[ESRS 2 MDR-M 75] [ESRS 2 MDR-M 77b] [E2-4 30b] [E2-4 30c]

Safran undertakes to comply with all national, supranational and international regulations.

In France, each eligible site makes an annual declaration on waste production and air, water and soil emissions in the GEREPE

pollutant emission and discharge database, a regulatory measure that requires installations classified for environmental protection (ICPE) (and others) to report pollutant emissions and discharges.

This reporting meets the requirements of the European E-PRTR register of pollutant discharges and transfers, under regulation (EC) n° 166/2006.

For sites outside the European Union, thresholds are specified by local regulations and duly applied by the Group.

	2024
Air emissions	
Nitrogen oxides (NOx/NO2)(metric tons/year)	199.65 ⁽¹⁾
Water emissions	
Polycyclic aromatic hydrocarbons (PAHs)(kilograms/year)	19.54 ⁽²⁾

(1) Only one site reported exceeding the nitrogen oxides (NOx/NO2) emission threshold of 100 metric tons per year according to Annex 2 of the E-PRTR regulation.
(2) Only one site reported exceeding the polycyclic aromatic hydrocarbon (PAH) emission threshold of 5 kilograms/year according to Annex 2 of the E-PRTR regulation.

The information above is self-reported. The reporting scope covers European sites and major sites worldwide but will be extended in future years.

Substances of concern and very high concern

[ESRS 2 MDR-M 75] [ESRS 2 MDR-M 77a] [E2-5 34]

As indicated in section 5.1.2.2.2 above, Safran has rolled out a responsible management approach for chemical substances, based on three principles: anticipate regulatory requirements, substitute and control.

Safran tracks 4,600 substances. The exact quantity (mass of the substance in a product) is not communicated to the Group by the suppliers concerned. The REACH regulation requires the identification of substances of very high concern present in articles above the 0.1% threshold, but not their quantity.

5.1.2.2.6 Anticipated financial effects from pollution-related impacts and risks

[E2-6 40b E2-6_04 and E2-6_05] [E2-6 41]

On significant pollution remediation projects, cost/benefit balances are charted to select the most appropriate management measures.

These data are not consolidated at Group level.

No significant incidents were reported in 2024. This means there was no instance of pollution having a negative impact on the environment, and no expected impact on cash and cash equivalents, financial situation or financial performance.

5.1.2.3 Access to raw materials and circularity of products and services – ESG topic 2 (ESRS E5)

5.1.2.3.1 Description of processes to identify and assess material climate-related impacts, risks and opportunities related to use of resources and the circular economy

[E5.IRO-1 11a] [E5.IRO-1 11b]

The double materiality assessment identified that Safran is exposed to one risk related to use of resources and the circular economy. This concerns the topic “Access to raw materials and circularity of products and services”.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

MATERIAL IROS RELATED TO USE OF RESOURCES AND THE CIRCULAR ECONOMY

[ESRS 2 MDR-P 65a]

ESG topic 2

Access to raw materials and circularity of products and services

IROs	Description	Type	Time horizon	Policies related to the IRO
Investment to transition the Group to a circular model	Transitioning to a circular economy model requires investment in various initiatives. Failure to mitigate this risk could require Safran to reposition itself within the supply chain in order to implement more circular practices.	(R)	MT	Circular economy approach

⊕ Positive impact; ⊖ Negative impact; (R) Risk; ⊕ Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

5.1.2.3.2 Policies

Policies related to resource use and circular economy

[E5-1 14] [E5-1 15a] [E5-1 15b] [ESRS 2 MDR-P 65a] [ESRS 2 MDR-P 65c] [ESRS 2 MDR-P 65d] [ESRS 2 MDR-P 65e] [ESRS 2 MDR-P 65f]

Through its circular economy approach, Safran undertakes to promote the Group-wide inclusion of circular economy practices across all product life-cycle phases. This involves rethinking raw materials procurement, adapting procurement contracts, promoting product circularity and taking an active role in the transition toward a circular economy.

Working with stakeholders, suppliers and customers, Safran endeavors to develop a sustainable, environmentally responsible and economically viable business model.

To this purpose, in 2023 Safran set up a Circular Economy Department within the Group Sustainability Development Department, which is represented within the Executive Committee to ensure that sustainability matters are tackled at the highest management level.

A Circular Economy Steering Committee was formed in July 2024, within which members of the Executive Committee in charge of the Industrial, Purchasing and Performance Department, the Strategy, Technology and Innovation Department and the Group Sustainability Department work to specify actions on related objectives and monitor progress toward the targets set for the year, to ensure the Group's performance level. For 2024, Safran set a target on the amount of titanium returned to material suppliers in the form of chips or off-cuts.

Safran's circular economy approach is structured around the three phases of the life cycle of manufactured products: before use, during use and after use.

Pre-use phase

In the perspective of access to sustainable raw materials, Safran wishes to reduce its dependency on certain raw materials. Priority attention is given to titanium, a strategic material for the Group, which is subject to geopolitical uncertainty and capacity fluctuations. Safran practices the return of titanium chips and off-cuts to suppliers for recovery into the titanium alloy production process, in a circular economy loop that contributes to shrinking the carbon footprint of Group products.

This practice has been rolled out collaboratively with suppliers forging and machining titanium parts.

In late 2023, a steering committee was formed within the Industrial, Purchasing and Performance Department, meeting monthly to manage this recycling initiative and track progress toward targets on the quantities of material to return.

In-use phase

The Group places great importance on the reparability of its products, offering MRO (maintenance, repair and overhaul) solutions worldwide. Each year, Safran experts develop and roll out hundreds of new repair solutions on an industrial scale and offer a comprehensive range of services including performance restoration, replacement of parts with a limited service life, inspection and maintenance of all equipment and service-life extension (see section 1.2.1.5 for full details on MRO activities, and on Leap maintenance support in particular).

In addition, the implementation of eco-design practices promotes the reparability of new products developed.

Post-use phase

To promote circularity of products and services, in 2007, Safran and two other leading players (Airbus and Suez) founded Tarmac Aerosave, which has been under Safran chairmanship since 2022. Tarmac Aerosave is the European leader in storage and the global leader in the dismantling of military and civil aircraft manufactured by Airbus, Boeing, ATR, Bombardier and Embraer. To improve post-dismantling recycling, it is working notably with Airbus and Safran to develop short recycling cycles for aerospace metals (titanium, inconel and aluminum).

Under its circular economy approach, in 2023 and 2024 Safran gave priority attention to the pre-use phase, with the return of titanium chips and off-cuts to suppliers. By recovering this material in-house and through its forging and machining suppliers, Safran reduces its consumption of titanium resources and introduces secondary titanium resources into its product manufacturing process.

That being said, for reasons of mechanical strength and service life, the titanium alloy used in Safran's production operations cannot be made from 100% recycled material. Scientific literature points to a requirement of 20% virgin material.

Through this recycling initiative, Safran is reducing its consumption of virgin materials by circularizing titanium scrap.

The medium-term objective is to extend this approach to other metal materials, for a significant reduction in consumption of virgin resources.

The Strategy, Technology and Innovation Department adopts a similar approach to non-metallic materials, as set out in its R&T and Innovation roadmaps. The Innovation roadmap on recyclability and sustainability addresses technologies on the circularization of non-metallic materials, with priority on the composites used in manufacturing aircraft seats. Because this activity is still at the research and innovation stage, no implementation timeframe is yet advanced.

Safran designs, develops, manufactures and markets aerospace equipment using high-tech materials that meet the highest safety and performance demands. The vast majority of these materials do not come from renewable sources.

For this reason, the use and supply of renewable resources is not significant for the Group.

5.1.2.3.3 Actions and resources

Actions and resources related to resource use and circular economy

[E5-2 19]

Safran's main action here is the recycling of titanium chips and off-cuts in the pre-use phase (see section 5.1.2.3.2 above).

A steering committee on recycling was formed in late 2023 under the Industrial, Purchasing and Performance Department, meeting monthly throughout 2024 to manage action on increasing the volume of titanium returned over the medium term, and oversee progress on quantitative targets over the short term.

The 2024 target on titanium scrap returns was set working from the backlog of three Group companies. Working toward this target (set in metric tons) are the production sites of the Group companies that consume the most titanium, namely Safran Aircraft Engines, Safran Aero Boosters and to a lesser extent Safran Landing Systems, plus the Group's main metal machining and metal forging suppliers. These Group companies have a stage-by-stage action plan for increasing the quantities of chips returned. Recycled quantities are on the increase as new suppliers join the initiative.

In 2024, the initiative reached contributing companies and the suppliers involved. Quantities are monitored entity by entity via a network of focal points, and figures consolidated to report on progress toward the Group target.

5.1.2.3.4 Targets

Targets related to resource use and circular economy

[E5-3 23] [E5-3 24a] [E5-3 24b] [E5-3 24c] [E5-3 27] [ESRS 2 MDR-T 79a] [ESRS 2 MDR-T 79b] [ESRS 2 MDR-T 79c] [ESRS 2 MDR-T 79e] [ESRS 2 MDR-T 80a] [ESRS 2 MDR-T 80b] [ESRS 2 MDR-T 80d] [ESRS 2 MDR-T 80g]

Safran's priority circular economy action is circularization of titanium chips and off-cuts at the main Safran and supplier plants that use titanium. The 2024 target for return of titanium chips was set at 950 metric tons.

Progress toward this target is tracked monthly by the Recycling Steering Committee, whose members include the head of the Circular Economy Department, materials procurement and supply chain managers of the Industrial, Purchasing and Performance Department, and managers of the companies most concerned. Targets for coming years are being prepared.

Circularization of production scraps from machining and forging of titanium parts develops the reuse of secondary materials in the production of new titanium alloys for Safran's aerospace businesses. The objective is to extend this approach to other metal materials, for a significant increase in the circular material use rate. The targets set by Safran here are voluntary. There are no regulations on materials circularization.

Waste management policy

[E5-1 AR9a] [E5-1 AR9b]

Safran operates a Group-wide policy on reduction and treatment of waste from its production sites worldwide. Waste is broken down into seven categories (plastics, paper/cardboard, wood, composite, metallic, hazardous and other non-hazardous waste). Safran sites do not discharge any radioactive waste. This Group-wide approach is part of the Group Health, Safety and Environment policy, monitored by the Climate and Environment Department, part of the Group Sustainability Department.

Several treatments are possible for each category of waste: material recycling, incineration with energy recovery, incineration without energy recovery and landfilling for final and hazardous waste.

An eco-design project was also launched in 2023, with the Group Sustainability Department and Strategy, Technology and Innovation Department addressing the following points:

- governance: joint ambition on eco-design;
- skills: skills development in eco-design, through appropriate training;
- methods and tools: common methods and tools for implementation of eco-design practices.

In 2024, an Eco-Design Steering Committee was formed to determine actions and priorities and monitor project progress. The heads of the Circular Economy Department and the Strategy, Technology and Innovation Department sit on this Committee.

Actions and resources in relation to waste management

[E5-2 20e] [E5-2 20f]

Waste management is handled at each site compliant with local regulations. Waste tonnages and treatment processes are monitored.

Note that the target for secondary material content cannot be set at 100%: for reasons of mechanical strength and service life, titanium alloys cannot be produced using 100% recycled material. The use of virgin materials is still necessary. Safran must comply with certification requirements for aviation parts.

Waste management targets

[E5-3] [E5-3 24e] [E5-3 25]

Depending on the type of waste, the maturity of existing channels and the countries in which Safran operates, recovery rates (material and energy) can vary from 99.6% for metallic waste to 47% for composite waste, for which treatment channels are only now taking shape. The annual waste recovery target is set at 70%, and covers two levels in the waste hierarchy:

- recovery for energy: incineration;
- recovery for materials: recycling.

5.1.2.3.5 Inflow resources

[E5-4 31a] [E5-4 31b] [E5-4 31c] [E5-4 32] [E5-4 AR25] [E5-5 35] [E5-5 36a] [E5-5 36b] [E5-5 36c] [E5-5 40]

Safran determines and monitors the quantity of titanium returned to suppliers but does not have information on the proportion of recycled material in the alloys it receives from them.

Since the Group does not know the proportion of recycled material, it cannot provide this information, which is in the possession of the suppliers concerned.

The information is under the responsibility of the materials producer and cannot so far be published by Safran.

5.1.2.3.6 Outflow resources

[E5-5 35] [E5-5 36a] [E5-5 36b] [E5-5 36c] [E5-5 40]

Safran has a metric for monitoring progress of the companies concerned toward the 2024 target on titanium chips returns: yearly tonnage of material returned to suppliers for recycling.

This reached 1,050 metric tons, meeting the 2024 target.

Product reparability performs a key function in the circular economy, by extending product service life, as outlined in section 5.1.2.3.2 on the In-use phase. Longer service life makes for lower new-product volumes and thus reduces consumption of natural resources.

Safran maximizes the reparability of its products. Each year, Safran experts develop and roll out hundreds of new repair solutions on an industrial scale and offer a comprehensive range of services including aesthetic restoration, performance restoration, replacement of parts with a limited service life, inspection and maintenance of all equipment and service-life extension.

The Group's aim is to keep its products in operation as long as possible.

In addition, the implementation of eco-design practices helps increase the reparability of new products developed.

Reparability

In the Group's Propulsion segment, product reparability is an integral factor in product design. MRO (Maintenance, Repair and Overhaul) solutions are offered worldwide to enable performance restoration and replacement of parts with a limited service life. Such operations extend the service life of the equipment concerned.

In the Group's Equipment segment, Safran Landing Systems operates many MRO centers worldwide. With its leading-edge installations and expert teams, the Safran Landing Systems MRO network offers operators a wide range of maintenance, repair and overhaul services for landing gear, braking systems, wheels and hydraulic systems.

5.1.2.3.7 Waste management metrics

[E5-5 37a] [E5-5 37b] [E5-5 37c] [E5-5 37d] [E5-5 38a] [E5-5 38b] [E5-5 39]

In 2024, the average annual waste recovery rate was 71.4%, against a target of 70%.

		Non-hazardous waste	Hazardous waste	TOTAL
Waste not disposed of	Recycling (metric tons)	35,077	16,526	51,603
	Total not disposed of (metric tons)	35,077	16,526	51,603
Waste disposed of	Incineration (metric tons)	6,870	18,713	25,583
	Landfill (metric tons)	10,399	2,520	12,919
	Total disposed of (metric tons)	17,269	21,232	38,501
Total waste	Total waste (metric tons)	52,346	37,758	90,104
	Total non-recycled waste (metric tons)	17,269	21,232	38,501
	Percentage of waste not recycled (%)	33%	56%	43%

Details on the indicators

[E5-5 40]

Waste figures correspond to the total of non-hazardous waste (plastics, paper/cardboard, wood, composite, metals and other non-hazardous waste) and hazardous waste.

Categories of waste are defined according to local legislation and classed as:

- recovered waste (material or energy);
- non-recovered waste (incineration without energy recovery or landfill).

Waste not disposed of

- **Recycling:** any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. It includes the reprocessing of organic material but does not include energy recovery and the reprocessing into materials that are to be used as fuels or for backfilling operations.
- **Recovery:** any operation the principal result of which is waste serving a useful purpose by replacing other materials which would otherwise have been used to fulfil a particular function, or waste being prepared to fulfil that function, in the plant or in the wider economy.

Waste disposed of

- **Incineration:** the controlled burning of waste at high temperature with or without energy recovery.
- **Landfill:** a waste disposal site for the deposit of the waste onto or into land.

5.1.2.4 European Taxonomy

[E1-1 16e] [E1-3 29c (i, ii and iii)] [E1-1 16c] [E1-3 AR22]

SUMMARY OF RESULTS

- Turnover eligibility rate of 91% (only Space and Land Defense excluded) and alignment rate of 0%.
- CapEx eligibility rate of 78% and alignment rate of 2%.
- OpEx eligibility rate of 82% and alignment rate of 0%.
- Turnover, CapEx and OpEx of the Group's main activities have an alignment rate of 0 due to the DNSH (Do No Significant Harm) pollution classification criterion, as the strict application of Annex C of the Delegated Act on the use of pollutants makes alignment impossible.
- Only certain CapEx related to secondary activities is aligned (renewable energy, energy efficiency, electric charging stations, etc.).
- The Group has chosen to present, as entity-specific disclosure at the end of this report, an assessment of the alignment of its aerospace manufacturing activities, taking into account the application of the REACh regulation on substances. Only the new generation of civil platforms can claim alignment (36% of Turnover), to which a fleet replacement coefficient of 48% is applied (to exclude the part related to fleet growth), resulting in alignment rates of 17% of Turnover, 18% of CapEx and 22% of OpEx.

5.1.2.4.1 Background

Safran is subject to Regulation (EU) 2020/852 of June 18, 2020 amended by delegated regulations of 2021 and 2023, also known as the Taxonomy Regulation. This sets a framework to facilitate sustainable investment through improved information for the financial market. Delegated Regulations (EU) 2021/2178 and 2021/2139 supplemented this regulation in 2021, and were amended by Delegated Regulation (EU) 2022/1214, known as the Complementary Climate Delegated Act of March 9, 2022.

The new Commission Delegated Regulation (EU) 2023/2485 of June 27, 2023 amended Delegated Regulation (EU) 2021/2139 relating to the climate component, incorporating new economic activities including manufacturing of aircraft and their associated criteria.

The second new Delegated Regulation (EU) 2023/2486 also supplemented Regulation (EU) 2020/852 on the same date, specifying the activities and their criteria for contributing to the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and reduction, and protection and restoration of biodiversity and ecosystems.

Safran's main activities, namely aerospace, will only be eligible under the European regulation in category 3.21 (Manufacturing of aircraft) from 2023. The declaration of their potential alignment will not be mandatory until 2024.

The land defense and space sectors are not currently covered. It is important to note that the absence of these sectors does not necessarily imply a particularly negative environmental impact. It simply indicates that the European Union has not yet defined objective criteria to assess whether economic activities in these sectors contribute substantially to the Taxonomy's environmental objectives.

The Group therefore organized to qualify its activities that make substantial contributions to environmental objectives.

5.1.2.4.2 Scope of Safran's activities

The Taxonomy reporting exercise covers all activities corresponding to the scope of Group entities fully consolidated at December 31, 2024.

Companies in which the Group has joint control or significant influence are excluded from the calculation of ratios specified by the "Article 8" delegated act of the Taxonomy Regulation.

The Group has analyzed its own activities in order to identify those to be disclosed in accordance with the Taxonomy Regulation for 2024.

Taxonomy-eligible activities

The table below shows the eligible activities considered for 2024.

The main objectives to which these activities contribute are climate change mitigation, and to a lesser extent, transition to a circular economy.

Climate target	Scope of Safran's activities		Key performance indicator (KPI)		
	Activity eligible under European regulations	Group business lines	Turnover ⁽¹⁾	CapEx ⁽²⁾	OpEx ⁽³⁾
Climate change mitigation 	3.21 Manufacturing of aircraft	Manufacturing and Maintenance, Repair and Overhaul (MRO) activities (CCM 3.21): - Commercial aviation (PAX & freight) - Business jets - Helicopters - Military aviation and UAVs	✓	✓	✓
	4. Energy	- Electricity generation using solar photovoltaic or wind technology (PPA) (CCM 4.1) - Production of heat/cool using waste heat (CCM 4.24)		✓	✓
	6. Transportation	Electric or hybrid vehicles (CCM 6.5)		✓	
	7. Property	- Acquisition and renovation of buildings (CCM 7.2 and 7.7) - Energy efficiency equipment (CCM 7.3) - Charging stations for electric vehicles (CCM 7.4) - Instruments and devices for measuring (CCM 7.5) - Renewable energy technologies (CCM 7.6)		✓	
Circular economy 	1.2 Manufacture of electrical equipment	1.2 Manufacture of electrical and electronic equipment (including wiring) for industrial and professional use (NACE codes 26 and 27)	✓	✓	✓
	5.1 Repair, refurbishment and remanufacturing	5.1 Repair, refurbishment and remanufacturing of electrical and electronic equipment (NACE codes 26 and 27)	✓		
	5.2 Sale of spare parts	5.2 Sale of spare parts for electrical and electronic equipment (NACE codes 26 and 27)	✓		

NB: The NACE code refers to the classification of economic activities within the European Union.

(1) Turnover: Revenue.

(2) CapEx: Capital expenditure.

(3) OpEx: Operating expenses, including R&T, expensed R&D, and maintenance and upkeep of fixed assets related to the aerospace manufacturing activity.

Alignment of activities identified as eligible

In 2023, the Group reported the alignment of secondary activities such as real estate, electric or hybrid vehicles and renewable energy production.

In 2024, for the first time, the regulation allows the Group to extend the potential reporting scope to aligned aerospace manufacturing activities.

This analysis was carried out in accordance with the criteria of substantial contribution, the "do no significant harm" principle (DNSH) and the minimum safeguards (such as compliance with the OECD Guidelines and the United Nations Guiding Principles on Business and Human Rights).

a) Substantial contribution

Activities contributing to climate change mitigation:

For the Aerospace business

Alignment with the Taxonomy depends on compliance with the emissions criteria set by the ICAO for the certification of new aircraft. Metrics were assigned to aligned aerospace activities on the basis of the list of aligned programs centralized by EASA with airframers (publication delegated to ICF, consultancy mandated by EASA and the European Commission: EU Taxonomy for Aviation: Identifying Eligible Aircraft Models | ICF of December 12, 2024). The great majority of latest-generation aircraft meet these criteria, including the Airbus A220, A320neo, A330neo, A350; the Boeing 737 MAX, 787, 777-X; and the Embraer E2, ATR 42 and 72.

In addition, the new Delegated Regulation states that only fleet renewal qualifies as contributing substantially to the climate change mitigation objective (in view of the emission reductions provided by new aircraft compared with those they replace), thereby excluding aircraft contributing to the expansion of the fleet in service. For the aerospace industry, this will result in the application, to the aggregates measured, of a replacement coefficient representing the proportion of delivered aircraft that contribute solely to fleet renewal over the last ten years. This coefficient was published by EASA and set at 48% for 2024. (<https://www.easa.europa.eu/en/downloads/140647/en>)

For activities contributing to the circular economy objective

Indicators under activities 1.2 Manufacturing of electrical and electronic equipment, 5.1 Repair, refurbishment and remanufacturing of electrical and electronic equipment, 5.2 Sale of spare parts for electrical and electronic equipment were considered to meet the criterion for substantial contribution of each of these activities as defined in the Annexes to Commission Delegated Regulation (EU) 2023/2486 of June 27, 2023.

For secondary activities

The CapEx allocated by the Group to secondary activities relate to activities 4. Energy, 6. Transport, and 7. Real estate mentioned and detailed above. CapEx for each of these activities was deemed to meet the criterion for substantial contribution as defined in the Annexes to Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021. Where the Group reports adjusted CapEx for these activities, that CapEx corresponds to the plant and equipment listed in the activity's substantial contribution. Given the immaterial amounts of CapEx identified for each of these activities, the criteria for substantial contribution are not detailed in this Sustainability Statement.

b) Generic “do no significant harm” criteria for the other environmental objectives

The analysis of the “do no significant harm” criteria is the same for activities that make a substantial contribution to the climate change mitigation (3.21, 4.1, 4.24, 6.5, 7.2, 7.3, 7.4, 7.6, 7.7) and circular economy (1.2, 5.1, 5.2) objectives considered by the Group (these analyses cover the entire scope of the Group's product portfolio):

Climate change mitigation

Safran has integrated a climate change mitigation policy into the Group's strategy. The decarbonization objectives of its products and operations are described in section 5.1.2.1.2 ESRS E1.

Safran's transition plan (see section 5.1.2.1.2) covers all of its decarbonization targets and levers.

The analysis of compliance with this criterion was carried out activity by activity.

Climate change adaptation

To develop a fuller understanding of the impact of climate change on its physical assets (physical risks), the Group conducted an analysis of exposure to the consequences of climate change across the whole of its operations, covering risks arising from temperature variation, water management, wind and soils (see section 5.1.2.1.3 ESRS E1).

This analysis, carried out using climate modeling tools developed by a leading specialist in the field, characterized and assessed the nature and probability of exposure to certain risk categories and physical hazards. It was conducted at site-level. Adaptation measures associated with the main sites exposed are monitored in the business continuity plans.

Transition toward a circular economy

Safran undertakes to promote the Group-wide inclusion of circular economy practices across all product life-cycle phases.

To do this, it has set up processes to identify and assess material impacts, risks and opportunities related to the use of resources and the circular economy for its operations (see section 5.1.2.3 ESRS E5).

Sustainable use and protection of water and marine resources

Water is used by the Group mainly for sanitary purposes. Water from industrial processes that could represent a risk is subject to specific measures (treatment by continuously monitored stations or sent to a service provider to be purified before being discharged into the environment). Preventive or remediation measures are implemented wherever necessary (see section 5.1.2.2.2 ESRS E2). Sites subject to water stress have been identified. In accordance with Safran's HSE policies and procedures, sites implement the measures required by local regulations.

Prevention and control of pollution concerning the use and presence of chemical products

Safran complies with the requirements of the European Union's REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) and POP (Persistent Organic Pollutant) regulations, which aim to improve the protection of human health and the environment against the risks related to chemical substances.

Safran's approach is to identify substances potentially of concern as early as possible to prohibit their use right from the design phase or to limit such use, by seeking safer alternatives where possible. The aim is to reduce the environmental impact of its activities. Given the magnitude of the matter at hand, substitution efforts must be prioritized allowing for risk of obsolescence, either regulatory or commercial, to prevent any risk of business interruption. Safran aims to limit the use of substances of concern on health and environmental grounds in all of its operational activities, as indicated in its HSE policy (see section 5.1.2.2.2).

The Group has assessed its main activities with regard to the use of certain substances defined in Appendix C of Annex I to the Climate Delegated Act.

The Group's aerospace products comply with points (b) and (c) of Annex C, as required by this DNSH criterion, by complying with the requirements referred to in Article 9(2) of Regulation (EU) 2018/1139 of the European Parliament and of the Council of July 4, 2018 (concerning common rules in the field of civil aviation) and the relevant amendments to the Chicago Convention. The application of other Annex C criteria, which prohibit the use of the substances mentioned therein, effectively makes any adaptation impossible for a manufacturing activity subject to Annex C, which is the case for the Group.

For this reason, the Group has chosen to present at the end of this report an assessment of the alignment of its main activities (aerospace manufacturing; manufacture, repair and sale of spare parts for electrical and electronic equipment), taking into account the application of Annex C criteria on the use of substances in accordance with the regulations applicable to the Group (see section 5.1.2.4.7 “Alignment assessment – conditional use of substances”).

Protection and restoration of biodiversity and ecosystems

The Group has identified sites close to “key biodiversity areas” based on their GPS coordinates. In accordance with Safran’s HSE policies and procedures, sites implement the measures required by local regulations. A Safran process allows for the annual assessment of compliance and its continuous improvement through an action plan.

c) Minimum safeguards

Implementation of minimum safeguards as set out in article 18 of Regulation (EU) 2020/852 of the European Parliament and Council of June 18, 2020 on a framework to facilitate sustainable investment has also been confirmed, through:

- Group commitments under the United Nations Global Compact (see section 5.1.1.3.1);
- the Group policy on integrity and compliance (see section 5.1.4.2.2 ESRS G1), regarding fair competition. Safran builds employee awareness on the importance of compliance with laws and regulations on competition (see section 5.1.4.2.2 ESRS G1);
- the duty of care plan on preventing serious harm to human rights and fundamental freedoms, to personal health and safety, and to the environment, resulting from the business operations of the Group, of the companies it directly or indirectly controls, and of the subcontractors or suppliers with which it maintains an established business relationship, when such operations stem from the relationship (see sections 5.1.3.2.1 ESRS S2 and 5.1.4.3.2 ESRS G1);
- fiscal policy: Safran’s fiscal governance seeks to ensure that fiscal rules in all the countries where the Group operates are meticulously complied with (see section 5.1.4.3.2 ESRS G1).

These matters are covered by appropriate due diligence and mitigation measures based on risk assessment and internal procedures (see section 5.1.1.2.4 ESRS 2 GOV-4 “Statement on sustainability due diligence”).

It is therefore considered that Safran met minimum safeguard requirements in 2024.

5.1.2.4.4 Evaluation and methodology

Approach to identifying financial eligibility indicators (Turnover, CapEx and OpEx)

Turnover (revenue) indicator

The proportion of turnover referred to in article 8 of Regulation (EU) 2020/852 is obtained by dividing the proportion of consolidated turnover from Taxonomy-eligible and -aligned economic activities (numerator) by the Group’s total consolidated turnover (denominator). These amounts are taken from the Group’s accounting and consolidation systems, with the notion of aircraft program an available analytical data point.

Consolidated turnover for the year ended December 31, 2024, which is the Taxonomy denominator, was €27,716 million (see Note 3.1 to the consolidated financial statements in chapter 3 of the Universal Registration Document).

In 2024, the amount of the denominator was €1,839 million, as detailed below:

CapEx (capital expenditure) indicator

In accordance with the Taxonomy Regulation, the denominator of the CapEx indicator includes all of the Group’s capital expenditure related to purchases of property, plant and equipment and intangible assets, increases in right-of-use assets (IFRS 16) and increases resulting from business combinations (IFRS 3) recorded during the year. These amounts are defined in the notes to the consolidated financial statements, in chapter 3, notes 6.1.1, 6.1.2 and 6.1.4.

Acquisitions for the year

(in € millions)

	2024	Note
Intangible assets	527	6.1.1
Property, plant and equipment	1,110	6.1.2
Right-of-use assets	202	6.1.4
TOTAL FINANCIAL STATEMENTS	1,839	

Eligible CapEx includes investments related to the Group’s main activity, the manufacturing of aircraft (3.21), including capitalized R&D expenditure on programs.

Where applicable, the amounts of CapEx related to aircraft programs have been determined in the companies’ financial and accounting information systems using allocation keys linked to the share of the program in the case of multi-program use of that CapEx.

In addition, there are investments related to secondary activities, concerning renewable energies, energy efficiency and electric charging stations.

In the category of renewable energy installations, CapEx covers photovoltaic solar panels, solar water heaters, heat pumps, wind turbines, cogeneration installations and heat recovery installations. In all cases, auxiliary technical equipment is included.

In the category of energy efficiency equipment, CapEx includes expenditure on: building insulation; window replacement; installation of new energy-efficient heating, ventilation and air-conditioning systems; installation of water saving systems; and installation of systems for measuring and regulating building energy consumption.

OpEx (operating expenses) indicator

In accordance with the Taxonomy regulation, the OpEx denominator includes R&T expenses, expensed R&D, building renovation costs, maintenance costs and asset-related maintenance costs.

Maintenance expenses and expensed R&D are allocated using a method similar to CapEx.

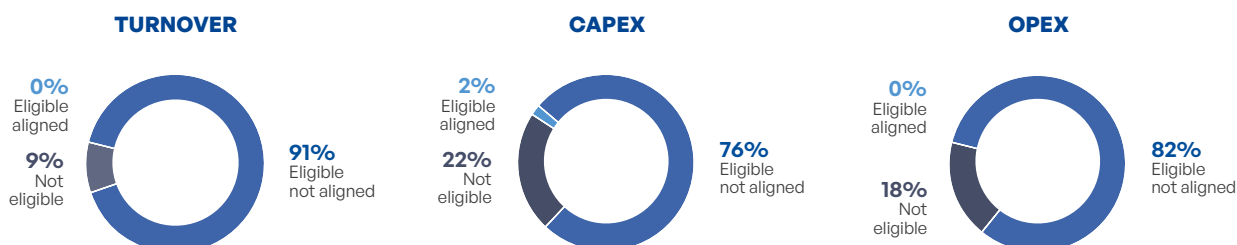
In R&T, the Group has charted more than 40 roadmaps for its projects. Eligible project proportions were identified for each roadmap and each project.

For the Energy business, maintenance expenses are primarily related to the installation of solar panels, wind turbines and heat pump assets.

The OpEx denominator was €2,105 million for the year ended December 31, 2024.

5.1.2.4.5 Eligibility and alignment results for 2024

Safran's eligibility and alignment results for 2024 are set out below:



Economic activities	2023			2024		
	Aligned activities	Eligible activities	Total	Aligned activities	Eligible activities	Total
Turnover (in € millions)	0	21,522	23,651	0	25,171	27,716
Proportion of turnover	0%	91%	100%	0%	91%	100%
CapEx (in € millions)	44	1,086	1,441	42	1,433	1,839
Proportion of CapEx	3%	75%	100%	2%	78%	100%
OpEx (in € millions)	0	1,509	1,879	1	1,730	2,105
Proportion of OpEx	0%	80%	100%	0%	82%	100%

Turnover

The Group's eligible turnover is consolidated revenue less the portion related to Land Defense and Space activities. It was €25,171 million, or 91% of the Group's total revenue, compared with €21,522 million in 2023 (91% of the Group's total revenue).

This increase reflects business growth in 2024, bearing in mind that the share of non-eligible activities in the Group's total turnover was constant.

A small proportion of manufacturing of aircraft turnover, relating to the Group's electrical and electronic businesses, is also eligible for the circular economy objective.

These activities represented €2,577 million in 2024, or 9% of revenue, compared with €2,043 million or 9% of revenue in 2023.

As mentioned in the analysis of the DNSH pollution classification criterion, its definition precludes any adjustment for a manufacturing activity subject to Annex C. This explains the zero alignment of Turnover.

At the end of the report, the Group has chosen to present an assessment of the alignment of its aerospace manufacturing activities, taking into account the application of the REACH regulation with regard to substances in accordance with the regulations applicable to the Group (see section 5.1.2.4.7 "Alignment assessment – conditional use of substances").

CapEx

Taxonomy-eligible CapEx amounted to €1,433 million in 2024, representing 78% of the Group's capital expenditure. In 2023, eligible CapEx was €1,086 million, 75% of capital expenditure.

This CapEx includes investments related to its main activity of manufacturing of aircraft (3.21), for €1,300 million in 2024, and investments in secondary activities, for €133 million.

Manufacturing of aircraft CapEx in the Group's electrical and electronic businesses, at €71 million, is also eligible for the circular economy objective.

The increase in CapEx between 2023 and 2024 mainly reflects the increase in property, plant and equipment related to aircraft programs.

Alignment of CapEx related to the manufacturing of aircraft is not possible due to the DNSH pollution classification criterion. The Group has chosen to present at the end of this report an assessment of its aligned CapEx related to this activity (see 5.2.4.5 Alignment assessment – conditional use of substances).

With regard to the alignment of secondary activities, Safran does not believe that the real estate projects included in eligible CapEx meet the highly ambitious energy criteria set out in the Taxonomy Regulation.

However, other investments relating to renewable energies, energy efficiency and electric vehicle charging stations are aligned when eligible.

OpEx

Taxonomy-eligible OpEx relate exclusively to the Group's principal activity and amount to €2,105 million. They include R&T expenses, expensed R&D, building renovation expenses, maintenance expenses and asset-related maintenance expenses.

Taxonomy-eligible operating expenditure (OpEx) amounted to €1,730 million in 2024, accounting for 82% of the Group's operating expenses, compared to €1,509 million (80%) in 2023.

A small proportion of manufacturing of aircraft OpEx, relating to the Group's electrical and electronic businesses, is also eligible for the circular economy objective, for a total of €105 million.

The increase in expenditure between 2023 and 2024 reflects business growth.

Alignment of OpEx related to the manufacturing of aircraft is not possible due to the DNSH pollution classification criterion. The Group has chosen to present at the end of this report an assessment of its aligned OpEx related to this activity (see section 5.1.2.4.7 "Alignment assessment – conditional use of substances").

All the regulatory tables in the format required by the annexes to the Taxonomy are available in section 5.1.2.4.6 "Regulatory Taxonomy tables".

5.1.2.4.6 Appendix: Regulatory Taxonomy tables

Standard tables

REVENUE

Fiscal year	Year	Substantial contribution criteria								Do no significant harm (DNSH) criteria										Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, prior year (18) Category (enabling activity) (19) Category (transitional activity) (20)			
		Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)						
Economic activities (1)	€m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T			
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1. Environmentally sustainable activities (Taxonomy-aligned)																							
Turnover from environmentally sustainable activities (A.1)	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%					
of which enabling	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E				
of which transitional	0	0%									Y	Y	Y	Y	Y	Y	Y	0%		T			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
			EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL														
Manufacturing of aircraft	CCM 3.21, CE 1.2, CE 5.1, CE 5.2	25,171	91%	EL	N/EL	N/EL	EL	N/EL	N/EL												91%		
Turnover from Taxonomy-eligible but environmentally unsustainable activities (A.2.)	25,171	91%	91%	%	%	%	%	%	%												91%		
Turnover from Taxonomy-eligible activities (A)	25,171	91%	91%	%	%	%	%	%	%												91%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
Turnover from Taxonomy-non-eligible activities	2,545	9%																					
TOTAL (A + B)	27,716	100%																					

Y (YES) – Taxonomy-eligible and -aligned activity with respect to the intended environmental objective.

N (NO) – Taxonomy-eligible activity not aligned with respect to the intended environmental objective.

EL – Eligible: Taxonomy-eligible activity with respect to the intended environmental objective.

N/EL – Taxonomy-non-eligible activity with respect to the intended environmental objective.

The table below shows the shares of eligibility and alignment of Safran's turnover for the six objectives independently:

	Share of turnover/(total turnover)	
	Aligned	Eligible
Climate change mitigation (5)	0%	91%
Climate change adaptation (6)	0%	0%
Water and marine resources (7)	0%	0%
Circular economy (8)	0%	9%
Pollution (9)	0%	0%
Biodiversity and ecosystems (10)	0%	0%

CAPEX

Fiscal year	Year			Substantial contribution criteria							Do no significant harm (DNSH) criteria									
	Code(s) (2)	Absolute Capex (3)	Proportion of Capex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, prior year (18)	Category (enabling activity) (19)	Category (transitional activity) (20)	
Economic activities (1)		€m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Electricity generation using solar photovoltaic technology	CCM 4.1	5	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E		
Production of heat/cool from geothermal energy	CCM 4.22	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E		
Production of heat/cool using waste heat	CCM 4.24	1	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		T	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	16	1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%	E		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	3	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E		
Installation, maintenance and repair of instruments and devices for measuring	CCM 7.5	3	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	10	1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%	E		
Capex on environmentally sustainable activities (A.1.)		42	2%	2%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	3%			
■ of which enabling		39	2%	2%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	3%	E		
■ of which transitional		3	0%							Y	Y	Y	Y	Y	Y	Y	0%		T	

Fiscal year	Year	Substantial contribution criteria									Do no significant harm (DNSH) criteria										
		Code(s) (2)	Absolute Capex (3)	Proportion of Capex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, prior year (18)	Category (enabling activity) (19)	Category (transitional activity) (20)	
Economic activities (1)	€m	%			Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
					EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
Manufacturing of aircraft	CCM 3.21, CE1.2	1,300	71%	EL	N/EL	N/EL	EL	N/EL	N/EL										67%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										0%		
Renovation of existing buildings	CCM 7.2	43	2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										3%		
Acquisition and ownership of buildings	CCM 7.7	47	3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										2%		
Capex on Taxonomy-eligible but environmentally unsustainable activities (A.2.)		1,391	76%	76%	%	%	%	%	%										72%		
Capex on Taxonomy-eligible activities (A)		1,433	78%	78%	%	%	%	%	%										75%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Capex on Taxonomy-non-eligible activities		406	22%																		
TOTAL (A + B)		1,839	100%																		

Y (YES) – Taxonomy-eligible and -aligned activity with respect to the intended environmental objective.

N (NO) – Taxonomy-eligible activity not aligned with respect to the intended environmental objective.

EL – Eligible: Taxonomy-eligible activity with respect to the intended environmental objective.

N/EL – Taxonomy-non-eligible activity with respect to the intended environmental objective.

The table below shows the shares of eligibility and alignment of capital expenditure (CapEx) of Safran's activities for the six objectives independently:

	Share of CapEx/(total CapEx)	
	Aligned	Eligible
Climate change mitigation (5)	2%	78%
Climate change adaptation (6)	0%	0%
Water and marine resources (7)	0%	0%
Circular economy (8)	0%	4%
Pollution (9)	0%	0%
Biodiversity and ecosystems (10)	0%	0%

OPEX

Fiscal year	Year	Substantial contribution criteria										Do no significant harm (DNSH) criteria									
		Code(s) (2)	Absolute Opex (3)	Proportion of Opex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, prior year (18)	Category (enabling activity) (19)	Category (transitional activity) (20)	
Economic activities (1)	€m	%			Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Electricity generation using solar photovoltaic technology	CCM 4.1	1	0%	Y	N/EL	N/EL	EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0%			
Opex on environmentally sustainable activities (A.1.)		1	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	Y	0%			
■ of which enabling		1	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	Y	0%	E		
■ of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	Y	0%		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
					EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
Manufacturing of aircraft	CCM 3.21, CE 1.2	1,729	82%	EL	N/EL	N/EL	EL	N/EL	N/EL									80%			
Opex on Taxonomy-eligible but environmentally unsustainable activities (A.2.)		1,729	82%	82%	%	%	%	%	%									80%			
Opex on Taxonomy-eligible activities (A)		1,730	82%	82%	%	%	%	%	%									80%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Opex on Taxonomy-non-eligible activities		375	18%																		
TOTAL (A + B)		2,105	100%																		

Y (YES) – Taxonomy-eligible and -aligned activity with respect to the intended environmental objective.

N (NO) – Taxonomy-eligible activity not aligned with respect to the intended environmental objective.

EL – Eligible: Taxonomy-eligible activity with respect to the intended environmental objective.

N/EL – Taxonomy-non-eligible activity with respect to the intended environmental objective.

The table below shows the shares of eligibility and alignment of OpEx of Safran's activities for the six environmental objectives independently:

	Share of OpEx/(total OpEx)	
	Aligned	Eligible
Climate change mitigation (5)	0%	82%
Climate change adaptation (6)	0%	0%
Water and marine resources (7)	0%	0%
Circular economy (8)	0%	5%
Pollution (9)	0%	0%
Biodiversity and ecosystems (10)	0%	0%

Taxonomy information for activities related to nuclear and fossil gas energy

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

5.1.2.4.7 Alignment assessment – conditional use of substances

In the absence of implementation guidance by the European Commission or France on the DNSH pollution criteria (EU Taxonomy - Appendix C), the Group reports in addition, as an entity-specific disclosure, a set of information considering the

use of substances pursuant to regulations applicable to the Company for the alignment of its manufacturing of aircraft activity.

	In application of DNSH pollution prevention/control criteria					
	Taking into account the use of authorized substances under the applicable conditions (see section 5.1.2.4.2)			Avoiding any use of substances (see section 5.1.2.4.2 "Alignment of activities", paragraph b (DNSH) above)		
	2024			2024		
	Aligned activities	Eligible activities	Total	Aligned activities	Eligible activities	Total
Economic activities						
Turnover (in € millions)	4,782	25,171	27,716	0	25,171	27,716
Proportion of turnover	17%	91%	100%	0%	91%	100%
CapEx (in € millions)	330	1,433	1,839	42	1,433	1,839
Proportion of CapEx	18%	78%	100%	2%	78%	100%
OpEx (in € millions)	471	1,730	2,105	1	1,730	2,105
Proportion of OpEx	22%	82%	100%	0%	82%	100%

5.1.3 Social

5.1.3.1 Own workforce (ESRS S1)

5.1.3.1.1 HR fundamentals related to the workforce

[S1-4 AR41]

Safran's Human Resources (HR) policy is dynamic and proactive, rooted in the Group's awareness that its people are its main strength. The Group aims to be an exemplary employer for everyone, everywhere in the world, and this is one of the three levers of its CSR policy.

This ambition takes shape through the actions of the Group Human and Social Responsibility Department and is focused on three commitments:

- ensure health and safety of employees, improve the quality of life at work and maintain a thriving social dialogue;
- continue to develop skills and commit to regions;
- encourage equal opportunities and promote inclusion and diversity.

The foundations of the HR policy are: developing skills and creating career development opportunities, ensuring a quality work environment, encouraging equal opportunities, diversity and inclusion, and encouraging collaboration and mutual support.

Description of the Group's workforce

The Group's workforce mainly consists of salaried employees⁽¹⁾. At December 31, 2024, Safran had approximately 103,000 employees, mostly located in Europe (62%, including 52% in France), the Americas (26%), Africa and the Middle East (7%), and Asia-Oceania (5%).

- Non-employees include temporary employees, interns and international corporate volunteer (VIE) program participants. They represented 8.5% of the Group's total workforce at

December 31, 2024. As explained in section 5.1.1.1, for the purposes of this Sustainability Statement, Safran has opted to use the CSRD transitional provisions, and will therefore disclose the characteristics of non-employee workers in its own workforce in its Sustainability Statement covering the 2025 fiscal year.

Material impacts, risks and opportunities and their interaction with strategy and business model

Safran's double materiality assessment enabled the Group to identify the IROs related to its own workforce and therefore to confirm the social topics associated with its strategy and business model.

The results of the double materiality assessment – which identified eight risks, two positive impacts and six negative impacts – reflect the importance Safran places on employees within its overall business strategy. The IROs have been combined into four main topics:

- Health and safety & Quality of life at work;
- Diversity and Inclusion;
- Attract & retain talent and develop skills;
- Quality of social dialogue.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

[ESRS 2 SBM-3-48] [S1.SBM-3 13a] [S1.SBM-3 13b] [S1.SBM-3 14a] [S1.SBM-3 14b] [S1.SBM-3 14c] [S1.SBM-3 14d] [S1.SBM-3 14e] [S1.SBM-3 14f (i and ii)] [S1.SBM-3 14g (i and ii)] [S1.SBM-3 15] [S1.SBM-3 16]

(1) Employees for the purpose of the CSRD include permanent employees and temporary employees, i.e., 99,364 employees, as well as work-study students (3,474 people) and postgraduate students under industrial training-through-research agreements (CIFRE) (220 people).

ESG topic 4

Health and safety & Quality of life at work

IROs	Description	Type	Time horizon	Policies related to the IRO
Business disruption, loss of performance and productivity due to the deterioration of working conditions at Group sites	Slowdowns, business interruptions or reduced productivity and attractiveness related to an increase in workplace accidents and occupational illnesses (severity and frequency) among employees and non-employees working on-site, with additional costs associated with resolving such incidents.	R	LT	HSE policy
Penalties, legal action, compensation costs and business continuity risks in the event of failure to comply with occupational health and safety agreements and regulations	Criminal or administrative penalties, fines, legal proceedings and litigation costs in the event of accidents, non-compliance with occupational health and safety regulations or a deterioration in the quality of life at work jeopardizing the health and safety of employees. Compliance costs related to occupational health and safety regulations. Business disruption or interruptions if sites are ordered to stop, slow down or modify their operations due to major non-compliance with occupational health and safety regulations.	R	ST	HSE policy
Deterioration of the physical and mental health of employees due to poor working conditions or inadequate social protection	Endangerment of the physical and mental health and safety of employees. Impact of poor working conditions on employee satisfaction and increased absenteeism, affecting overall team well-being. Inadequate or non-existent social protection, particularly for vulnerable employee groups.	I-	ST	HSE policy
Failure to respect the human rights of employees in the event of discriminatory practices or harassment in the workplace	Violation of the rights of employees subjected to discrimination or harassment in the workplace or in connection with their professional activity.	I-	ST	Human Rights policy
Deterioration of employee health and well-being in the event of high turnover	Deterioration of employees' working conditions due to retention difficulties, leading to team disruption and longer onboarding and training periods for new employees, and affecting their motivation and commitment at a time of high activity.	I-	ST	HSE policy

ESG topic 5

Diversity and inclusion

Damage to the employer brand and reputation due to a lack of diversity or proven or suspected incidents of discrimination or harassment	Difficulty in attracting and retaining talent in the absence of diversity and inclusion policies aligned with employee expectations, deterioration of workplace relations and loss of trust in management if preventive and corrective measures are not adopted. Deterioration of relationships with external stakeholders: damage to the company's image within the sector and in the media in the event of proven or suspected incidents of discrimination or harassment within the Group.	R	MT	Diversity and Inclusion roadmap

ESG topic 6

Attract and retain talent & develop skills

Socio-economic benefits for local communities through the maintenance or consolidation of local economic activity	Positive repercussions of the revitalization of regional economies and local communities, direct and indirect job creation, and action against regional desertification, industrial sites or commercial businesses that can drive employment in the region and create value for their ecosystem, skills development and stimulation of research and development in the region, and development and strengthening of the social fabric through support for projects and social initiatives that foster social cohesion.	I+	ST	Recruitment policy and employer brand

ESG topic 6

Attract and retain talent & develop skills

Development of the employability of employees and value chain workers through the Group's training activities	Development of the employability of employees through the high-level training offered by the Group, mobility opportunities within the Group, and the certifications awarded. Contribution to the upskilling of sector workers (upstream and downstream) and their employability and mobility, made possible indirectly by Safran's training efforts. Contribution to greater professional stability for employees and value chain workers by guaranteeing them a level of training that allows them to secure sustainable employment and a satisfactory wage.	I+	ST	Talent management and training policy
Decline in the Group's attractiveness in the event of a deterioration in the image of the aviation sector	Increased recruitment difficulties related to perceptions of the aerospace industry, perceptions being an important driver of attractiveness for young talent, affecting the Group's performance if the aviation sector fails to address current challenges, thereby casting doubt on its viability.	R	LT	Recruitment policy and employer brand

ESG topic 7

Quality of social dialogue

Disruption or even interruption of operations in the event of a deterioration in social dialogue	Slowdown, disruption or even stoppage of operations due to social unrest, resulting in a decline in productivity. Additional costs and lost revenue in the event of business interruption, management of production and delivery delays, customer compensation, etc.	R	ST	Social dialogue policy

I+ Positive impact; I- Negative impact; R Risk; O Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

5.1.3.1.2 Metrics – Workforce

[S1-6] [S1-6 50a AR57] [S1-6 50f]

The reporting scope for all of the metrics set out below corresponds to the Group unless otherwise stated.

EMPLOYEE HEADCOUNT BY GENDER

[S1-6 50a AR57]

Gender	Number of employees (headcount)
Male	72,312
Female	30,723
Other*	4
Not reported	19
TOTAL EMPLOYEES	103,058

* Gender as specified by the employees themselves.

TOTAL NUMBER OF EMPLOYEES BY COUNTRY (MORE THAN 10% OF THE WORKFORCE)

[S1-6 50a AR57]

Country	Total number of employees (headcount)
France	54,053
Mexico	13,324

In 2024, Safran had more than 10% of its total workforce in each of the following countries: France and Mexico.

TOTAL NUMBER OF PERMANENT, TEMPORARY, FULL-TIME AND PART-TIME EMPLOYEES (HEADCOUNT)

[S1-6 50b]

	Female	Male	Other*	Not reported	Total number of employees (headcount)
Number of employees (headcount)	30,723	72,312	4	19	103,058
Number of permanent employees (headcount)	28,346	67,488	4	19	95,857
Number of temporary employees (headcount)	2,377	4,824	0	0	7,201
Number of full-time employees (headcount)	28,871	69,433	4	19	98,327
Number of part-time employees (headcount)	1,572	2,127	0	0	3,699

* Gender as specified by the employees themselves.

FULL-TIME EMPLOYEES, AND BREAKDOWNS BY GENDER AND BY REGION

[S1-6 52a] [S1-6 AR55]

Number of full-time employees (headcount, in units)	Europe	Americas	Africa and Middle East	Asia and Oceania	Total number of employees (headcount)
Female	14,102	10,052	3,532	1,185	28,871
Male	46,404	14,812	4,022	4,195	69,433
Other*	0	23	0	0	23
TOTAL NUMBER OF EMPLOYEES (HEADCOUNT)	60,506	24,887	7,554	5,380	98,327

* Gender as specified by the employees themselves.

PART-TIME EMPLOYEES, AND BREAKDOWNS BY GENDER AND BY REGION

[S1-6 52b] [S1-6 AR55]

Number of part-time employees (headcount)	Europe	Americas	Africa and Middle East	Asia and Oceania	Total number of employees (headcount)
Female	1,526	23	1	22	1,572
Male	2,026	31	1	69	2,127
Other*	0	0	0	0	0
TOTAL NUMBER OF EMPLOYEES (HEADCOUNT)	3,552	54	2	91	3,699

* Gender as specified by the employees themselves.

DEPARTURES

[S1-6 50c AR59]

Reason for departure	Number of employees who left the company
Voluntary departure	6,076
Redundancy	2,761
Retirement	1,125
Death in service	97
Other involuntary departures	680
End of fixed-term employment contract	1,159
TOTAL DEPARTURES	11,898

Turnover rate (%) = 12.9% (total number of departures/number of employees) × 100

The methods used to calculate the metrics are described in section 5.1.5.1.

[S1-6 50d (i) (ii)] [S1-6 50e]

5.1.3.1.3 Management of impacts, risks and opportunities and measurement of Safran's performance

Health and safety and Quality of life at work (ESG topic 4)

The potential impacts, risks and opportunities relating to health and safety are a sub-topic of the "Health and safety & Quality of life at work" ESG topic.

Preserving employee health and safety and the quality of life at work is a fundamental priority for Safran. On industrial sites, employees are exposed to various risks inherent in activities through the use of production equipment, load handling, working hours, the use of chemicals and working at heights.

Equal attention is given to mental and physical health, fostering an environment where everyone can thrive and work effectively.

Maintaining the attention paid by all teams to preserving the health and safety of employees and on-site partners, in all of the Group's host countries, is central to Safran's prevention culture.

The double materiality assessment identified two risks and three material negative impacts for Safran (the related IROs are set out below).

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 4

Health and safety & Quality of life at work

IROs	Description	Type	Time horizon	Policies related to IROs
Business disruption, loss of performance and productivity due to the deterioration of working conditions at Group sites	Slowdowns, business interruptions or reduced productivity and attractiveness related to an increase in workplace accidents and occupational illnesses (severity and frequency) among employees and non-employees working on-site, with additional costs associated with resolving such incidents.		LT	HSE policy
Penalties, legal action, compensation costs and business continuity risks in the event of failure to comply with occupational health and safety agreements and regulations	Criminal or administrative penalties, fines, legal proceedings and litigation costs in the event of accidents, non-compliance with occupational health and safety regulations or a deterioration in the quality of life at work jeopardizing the health and safety of employees. Compliance costs related to occupational health and safety regulations. Business disruption or interruptions if sites are ordered to stop, slow down or modify their operations due to major non-compliance with occupational health and safety regulations.		ST	HSE policy
Deterioration of the physical and mental health of employees due to poor working conditions or inadequate social protection	Endangerment of the physical and mental health and safety of employees. Impact of poor working conditions on employee satisfaction and increased absenteeism, affecting overall team well-being. Inadequate or non-existent social protection, particularly for vulnerable employee groups.		ST	HSE policy
Failure to respect the human rights of employees in the event of discriminatory practices or harassment in the workplace	Violation of the rights of employees subjected to discrimination or harassment in the workplace or in connection with their professional activity.		ST	Human Rights Policy
Deterioration of employee health and well-being in the event of high turnover	Deterioration of employees' working conditions due to retention difficulties, leading to team disruption and longer onboarding and training periods for new employees, and affecting their motivation and commitment at a time of high activity.		ST	HSE policy

 Positive impact;  Negative impact;  Risk;  Opportunity; **ST**: Short-term; **MT**: Medium-term; **LT**: Long-term

Health and safety policy

[ESRS 2 MDR-P] [SI-1 19] [SI-1 23]

Preserving employee health, safety and quality of life at work is a priority for Safran. The Group has a Health, Safety and Environment (HSE) policy – the most recent updated version of which was signed in 2021 by the Chief Executive Officer – in which it pledges to foster a culture of anticipating and

preventing health and safety risks in order to effectively mitigate them as part of a continuous improvement approach. The policy involves everyone in the Group, from company CEOs and senior executives to managers and employees, across all entities and at all sites.

Appraisals of Safran's senior executives include in particular a health and safety objective.

Actions

[S1-4] [S1-4 37] [S1-4 43]

Safran has a multi-year health and safety roadmap in place containing targets that are adjusted in line with the health and safety topics identified by the Group.

The 2024-2028 roadmap is based on the following three pillars:

- raise awareness and roll out the critical risks prevention plan;
- strengthen health and safety leadership;
- develop a culture of transparency.

The following drivers were defined in 2024 for implementing this roadmap:

- work on identifying and dealing with the most critical risks and situations with a high loss potential (i.e., which could lead to a serious or fatal accident);
- reduce the number of lost-time work-related accidents;
- strengthen primary and secondary prevention, particularly in terms of psycho-social factors and ergonomics;
- assess Safran's working conditions and installations and rapidly invest what is required in order to protect employees and property;
- liaise between departments on a multi-disciplinary basis (health and safety, human resources, facilities management services, etc.), as sharing skills and knowledge helps prevention and adds value;
- change attitudes to danger and risk, and promote transparency and mutual, continuous attentiveness as part of a structured framework that everyone is aware of.

Budgets dedicated to risk prevention, in line with the Group's objectives and roadmaps and specific local topics, are an integral part of the overall budgets of each entity (including human resources, financial planning and capital expenditure plans).

[S1-4 38a] [S1-4-38b] [S1-4 40a]

In the event of a work-related accident or occupational illness, a comprehensive review is carried out of the employee's working conditions, and actions are taken over three phases: (i) immediate safety measures, (ii) remedial measures (e.g., modifying production equipment or adapting a procedure), and (iii) preventive measures. Line managers are responsible for implementing this approach, with the support of the HSE teams.

Prevention of psychosocial risks to promote well-being at work

The Group's "One Health!" roadmap promotes occupational, physical, mental and general health. There are three levels of prevention in mental health:

- primary prevention: preventive measures to maintain good health over the long term. They are based on the assessment of psychosocial factors by dedicated steering committees at the sites;
- secondary prevention: training, awareness-raising and publications on psychosocial factors regularly made available to employees (detection and support for people in difficulty, prevention of harassment and violence in the workplace, prevention of at-risk or addictive behavior);
- tertiary prevention: the management of work-related unhappiness by internal health services.

Listening to employees

In 2024, Safran finished analyzing the results of the international survey it launched in 2023 on employees' perception of the Group's health and safety culture. The underlying aim of the survey was to enable each entity to determine the actions required to channel Safran's prevention culture towards a Group-wide goal of zero serious or fatal accidents connected with the undertaking's operations.

Workstation ergonomics to put people at the heart of production systems

Within the Group, 80% of reported illnesses are attributable to musculoskeletal disorders (MSDs). Safran is maintaining its process of continuous improvement of workstations, notably to prevent the specific problem of MSDs. The HSE standard relating to the ergonomics of workstations sets out the tools, training, skills and organization of the ergonomics network. The Group's "ergonomics" roadmap reflects its determination to step up the mapping and reduction of risks. Each Group company adapts the roadmap, with a view to implementing appropriate actions that are consistent with its specific characteristics and challenges. In 2023, a steering committee was created with process representatives (development, industrialization, manufacturing, quality and HSE) to reinforce the cross-functional rollout throughout the Group. Given the predominantly manual nature of activities on Safran's production lines, greater effort is required to optimize workstation ergonomics from the design and industrialization phases.

The ergonomics network allows risks present in workstations to be detected, and contributes to their elimination.

Preventing road risks

Employees are exposed to the risk of traffic accidents during business trips and when commuting. The HSE Guidelines feature a road risk standard, showing that preventing road risks is an integral part of the Group's overall prevention approach. A road risk prevention charter covers all sites worldwide.

Action plan follow-up: HSE reference framework and site audits

[S1-4 38d AR38 and AR39] [S1-5 47b]

Safran has a reporting system that is used by all of its sites, which means that the main metrics for health and safety events can be tracked monthly (accident rates, major incidents). Occupational illnesses are monitored using the same reporting system on an annual basis. The system includes a traceability tool for work-related accidents and occupational illnesses which is used to observe patterns and make any necessary changes to the health and safety measures in place. This overall reporting system enables us to measure the impacts of our workplace health and safety policy and roadmaps. The reported data is shared with the HSE managers of each Group entity and is presented to the Group Executive Committee monthly. Company/site reporting data is shared at the relevant level, and the HSE manager at that level is responsible for ensuring the reliability of the metrics.

The HSE policy is rolled out on the basis of group internal guidelines. These guidelines have been endorsed by an external organization as meeting the requirements of environmental management (ISO 14001) and occupational health and safety management (ISO 45001) standards. They also meet Safran's specific operational requirements.

In addition to these metrics reported within the Group, HSE audits are carried out to verify the accuracy of sites' HSE maturity self-assessments (see targets below). These audits are performed by Safran auditors with the assistance of external auditors (see the section on targets below). All manufacturing sites are audited annually. Safran's HSE management system is audited by Bureau Veritas based on the ISO 14001 and ISO 45001 management standards.

Process for identifying requisite actions and related targets

[S1-4 39 AR34] [S1-47a] [S1-5 47c]

The Group identifies key areas for progress by (i) analyzing general HSE trends (regulatory developments, societal changes, other companies' best practices), (ii) surveys conducted among Safran employees (psychosocial risks, HSE culture) and (iii) drawing on the results of the various metrics in place, both in terms of consequences (accident rates, occupational illnesses, property damage) and prevention maturity (best practices, identification and handling of high-loss potential incidents). Sharing feedback throughout the Group helps raise awareness of incidents and their root causes and how to prevent them going forward.

[S1-4 41]

Change management, including related to organizational changes, is built into Safran's best-practice standards for health and safety risk prevention. Analyses are carried out prior to any project being launched in order to identify and prevent any associated risks.

Employees' medical data, personal data or data enabling them to be identified is managed in accordance with the General Data Protection Regulation (GDPR), in liaison with Safran's Data Protection Officer. Medical data is only accessible to occupational health departments and no health or safety data is sold to any third parties.

Targets

[S1-5] [S1-5 46]

Safran's main targets for 2024 were as follows:

- 0 serious or fatal accidents linked to its activities;
- reporting of at least 150 incidents with a high loss potential, which could otherwise have led to a serious or fatal accident;
- a ≤ 2.1 frequency rate for lost-time work-related accidents;
- rollout of HSE culture, well-being at work and ergonomics programs;
- ongoing implementation of the roadmap for Safran sites to reach gold-level maturity in terms of the Group's internal standards, which, combined with Safran's HSE manual, are compliant with ISO 14001 and ISO 45001.

Health and safety metrics

[S1-14 88a] [S1-14 88b] [S1-14 88c] [S1-14 AR81]

Health and safety metrics for Safran's workforce (employees)	2024
% of Safran's own workers covered by the Health & Safety management system ⁽¹⁾	100
Number of recordable work-related accidents with lost time	337
Frequency rate of lost-time work-related accidents ⁽²⁾	1.9
Fatalities due to occupational illness	0
Fatalities due to work-related accidents	0
Total number of fatalities due to work-related accidents or occupational illness	0

(1) Safran uses HSE audits to verify the accuracy of sites' HSE maturity self-assessments.

(2) The methods used to calculate the metrics are described in section 5.1.5.1.

Health and safety metrics for other workers at Safran sites	2024
Total number of fatalities due to work-related accidents or occupational illness	1

Diversity and inclusion (ESG topic 5)

Safran opposes all forms of discrimination and seeks to create an inclusive corporate culture. Diversity and inclusion promote well-being, development and engagement by allowing everyone to feel respected, valued and free to be themselves. They are also catalysts for innovation and success for the Group.

The double materiality assessment showed that Safran is exposed to a material risk (described below) related to the “Diversity and inclusion” ESG topic.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 5

Diversity and inclusion

IROs	Description	Type	Time horizon	Policies related to the IRO
Damage to the employer brand and reputation due to a lack of diversity or proven or suspected incidents of discrimination or harassment	Difficulty in attracting and retaining talent in the absence of diversity and inclusion policies aligned with employee expectations, deterioration of workplace relations and loss of trust in management if preventive and corrective measures are not adopted. Deterioration of relationships with external stakeholders: damage to the company's image within the sector and in the media in the event of proven or suspected incidents of discrimination or harassment within the Group.	(R)	MT	Diversity and Inclusion roadmap

⊕ Positive impact; ⊖ Negative impact; (R) Risk; ⊕ Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

Policies

[S1-1] [ESRS 2 MDR-P] [S1-119] [S1-124b]

Make Safran a more inclusive company

Diversity and inclusion are among the fundamental focuses of the Human and Social Responsibility Department. Safran is aligned with the principles of the United Nations Global Compact, including the elimination of all forms of discrimination in employment. Safran's Ethical Guidelines state that the Group does not tolerate any form of discrimination, whether based specifically on gender, disability, family status, age, sexual orientation, religious beliefs, trade union activity, political opinions or ethnic, social and cultural background, whether internally or externally.

As a signatory of the Diversity Charter⁽¹⁾ since 2010, Safran is committed to applying its principles at all of its sites, and in all of its human resources, management and decision-making processes.

In 2022, Safran conducted its first inclusion survey of all Group employees to gather their perceptions and expectations regarding diversity, inclusion and non-discrimination. The survey will be repeated in 2025 to allow comparison with the 2022 results and to provide a basis for monitoring and improvement.

Based on this survey and the ESG topics identified by the Group, Safran has drawn up a “Diversity and Inclusion” roadmap, approved by the Group Executive Committee, which is aimed at driving change, awareness and anti-discrimination initiatives, with two main objectives:

- instill and develop a culture of inclusion by changing internal practices and processes, raising awareness and organizing inclusion training, making inclusion measures visible, and taking action against discrimination;
- accelerate momentum on strategic priorities: gender, equal opportunities, multiculturalism, disability.

In terms of governance, this roadmap is presented to the Group Executive Committee each year, with a report on the past year's achievements and priorities approved for the upcoming year.

The roadmap is relayed and implemented in each Safran entity, via a Diversity and Inclusion officer. The role of this officer is to draw up and manage an action plan for their entity, to lead and/or coordinate the actions carried out at the various sites, and to share best practices within the Diversity and Inclusion network. Members of the human resources teams in the main countries and regions in which Safran operates are also involved in the roadmap's rollout to ensure that the actions taken comply with and respect local laws and cultures.

[S1-124a] [S1-124c] [S1-124d] [S1-124b AR15]

Gender equality

Gender equality in the workplace is essential for the Group, broadening visions to ensure that Safran is able to respond to the challenges in store. Safran is committed at every level of the company, including Executive Management, by applying a dynamic policy to promote gender equality, fairness and gender balance in all positions. Safran raises awareness of gender stereotypes and bias.

Safran builds its actions on three ambitions:

- bring about lasting change in corporate culture, in favor of greater inclusion and gender balance in the workplace;
- accelerate the professional development of women and their access to senior positions;
- increase Safran's attractiveness among women.

The objectives are reflected at the highest level. By way of illustration, the Chief Executive Officer's annual variable remuneration for 2024 includes an individual objective assessed on the increase in the number of women executives.

(1) www.charte-diversite.com/signataires/

Progress on gender equality is presented annually to the Board of Directors and regularly monitored by the Group Executive Committee. The management committees of Safran SA and its tier-one entities also regularly discuss the initiatives taken and their outcomes. The Group Human and Social Responsibility Department (HSRD) and the human resources departments of each Group company directly and cross-functionally supervise and coordinate the promotion of equality and gender balance.



Gender Equality European & International Standard (GEEIS)

Since 2018, the Group has had GEEIS certification for some of its entities. This reflects the Group's resolute commitment to gender equality in the workplace. Audits are carried out every two years to examine all policies, processes, managerial practices, actions and corporate culture in order to guarantee compliance with the requirements of the GEEIS certification. The certification has notably served to strengthen the management of the gender equality policy.

The following entities have received the label: Safran SA for the Group policy, Safran Electrical & Power France, Germany and UK, Safran Aircraft Engines France, Safran Transmission Systems France, as well as the entities of Safran Aerosystems France and one of its entities in the United States.

In Mexico, the Group has been awarded NMX-R-025-SCFI 2015 certification for labor equality and non-discrimination.

In 2024, Safran signed up to the UN's Standards of Conduct for Business for tackling discrimination against LGBTBI people with a view to further reinforcing its culture of inclusion and non-discrimination.

Disability: inclusion and job retention

Since 2010, Safran has been running a proactive policy on the inclusion of people with disabilities, set out in a "Disability" agreement applicable across all of Safran's legal entities in France. Mission Handicap, which is part of the Recruitment and Talent Development Department, is tasked with implementing this agreement and coordinating the network of more than 100 disability correspondents and liaison officers on the various sites. Their main role is to implement the disability policy in their company and site. They also play a role in supporting employees on a day-to-day basis and raising awareness among managers and within teams.

The disability policy has five main focuses:

- job retention through:
 - multidisciplinary units to study individual situations and prevent the risk of incapacity,
 - the adaptation of workspace or provision of disability compensation tools (hearing aids, etc.),
 - training for company staff who assist employees with disabilities,
 - assistance for employees with the administrative procedures involved in obtaining recognition of disability status;

- recruitment through:
 - the implementation of a process for promoting applications from people with disabilities,
 - the establishment of a disability unit to create a pool of potential candidates,
 - the development of partnerships with non-profits and specialized recruitment firms,
 - the development of partnerships with online job boards specialized in disabilities and participation in forums and fairs for the employment of people with disabilities;
- collaborative programs developed with the sheltered and supported employment sector by forging partnerships with, and subcontracting out to, sheltered workshops and similar organizations. Purchasers make use of these structures whenever possible;
- improved inclusion on sites with the rollout of the Afnor "disabled-friendly organization" compliance approach. This approach incorporates disability into all company processes. Close to 30 sites made a commitment to the process in 2024;
- training to improve the skills of people involved in disability policy (recruiters, HR, managers, IRP, etc.) on various topics, and awareness raising throughout the year to ensure an inclusive environment.

Social and professional integration of young people

Safran is committed to the social and professional integration of young people, offering them career guidance and training and employment opportunities. A European agreement, signed in 2013 between Safran and the European trade union federation IndustriALL Europe, was renewed in 2024. By renewing this agreement, Safran has reiterated its commitment to the employment of young people, who have a key role to play in the development of the aerospace industry. The new agreement has three main objectives:

- contribute to vocational training for young people;
- ensure capacity development and skills renewal;
- promote diversity and inclusion to create an increasingly diverse pool of young talent.

Seniors

In addition, to maintain a balance between generations, the Group is committed to helping seniors stay in employment. In France, a Group-wide agreement has been signed to help Safran retain its experienced employees, prepare for the hand-over to the younger generation, and ensure the effective transmission of skills. One of the key objectives of this agreement was that every year until 2025 at least 10% of the Group's new permanent hires in France would be aged over 50. The agreement also provides for reskilling measures and contains end-of-career adjustment measures that factor in employees' physical condition and provide for a gradual decrease in working hours so they can ease into retirement.

Actions

[SI-4 40a] [SI-4 37]

The overarching aim of the Group's roadmap is to promote inclusiveness for everyone, whatever their differences, and to create an inclusive working environment by fostering awareness, training and a culture of dialogue.

A wide range of initiatives are regularly launched at various levels of the organization (Group/companies/sites) and on different scales (worldwide or national). Examples include:

- communicating at frequent intervals about what the Group is doing to promote inclusiveness and raise awareness about inclusion-related issues;
- a wide range of awareness-raising conferences and educational workshops. Training courses are also offered to employees, either on a face-to-face basis or remotely via MOOCs platforms, on topics such as unconscious bias, verbal abuse, anti-sexism, and fighting discrimination against LGBTI people and people with disabilities. In 2024, training about unconscious bias was organized for the members of the Group Executive Committee.

In 2024, an action plan was launched to combat LGBTI discrimination in the workplace, with the signature of the UN's Standards for Business Conduct, a MOOC produced by SOS Homophobie and proposed to the Group's employees in France, and events organized at Group sites during Pride Month and Coming Out Day.

Specific actions to promote gender equality in the workplace

The Group launched several actions in 2024 to empower its female employees, including mentoring systems and "Talent Boost" and "Talent Boost Advanced" leadership training programs. In addition, awareness-raising campaigns on unconscious bias and the fight against ordinary sexism and verbal abuse have been proposed in the entities, through theatrical sketches followed by discussions and debates with employees.

The percentage of women in senior executive positions⁽¹⁾ rose from 19% in 2023 to 22% in 2024, ahead of the 2025 target set by the initial roadmap. HR processes are reviewed regularly to strengthen the identification of female talent pools and facilitate gender equality at all levels and in all business lines, through career committees, succession plans and recruitment.

Promotion of gender diversity within its ecosystem

Safran carries out initiatives outside the Company to combat stereotypes and encourage young women to enter the technical scientific professions.

Many Group employees are involved in non-profit organizations such as Women In Aviation in Singapore, the Women's Engineering Society in the United Kingdom, and Girls Take Flight in Canada. In France, several hundred of the Group's female employees are sponsors in the Elles Bougent non-profit organization, whose aim is to encourage girls and young women from middle and high school and university to choose STEM pathways and careers, with Safran's female ambassadors promoting the industry.

Programs to help young people enter the world of work

Safran participates in numerous guidance and training initiatives, notably to promote technical professions, in schools and universities or by inviting young people to its sites.

A wide range of activities is organized for schoolchildren and students of all ages, including on-site visits, presentations of our businesses, and fun workshops.

Reaching out to young people through corporate philanthropy

Since 2004, Safran's corporate philanthropy focus has been on supporting young people. Our work in this area is carried out via two corporate foundations as well as through direct sponsorship, all funded by the Group:

■ The Safran Foundation for Integration:

The Safran Foundation for Integration provides support for young people with disabilities or in situations of great vulnerability. It supports professional integration projects, particularly in a mainstream environment, as well as social integration projects in the areas of housing, culture and sport.

The Foundation's mission is to help young people with disabilities or from disadvantaged backgrounds to live their lives in as similar a way as possible to other people of their generation.

To achieve this aim, it supports its main partners through multi-year contracts, such as the partnership with the Fratries endowment fund to create shared housing for young workers (either with or without disabilities), and the partnership with Entourage, a non-profit that helps find employment for young homeless people.

■ The Safran Foundation for Music:

The Safran Foundation for Music supports talented young musicians as they start their professional journeys to become leading performers in the classical music world of tomorrow, by offering them scholarships to study or to prepare for international competitions for example. Each year, it awards a prize to a young talent following a public competition. Many generations of virtuosos have also benefited from partnerships (often long-term) forged with venues that have a genuine commitment to promoting young talent.

■ Sponsorship programs:

Safran supports concrete educational initiatives. Its actions are focused on improving the acquisition of mathematical and scientific knowledge.

In addition, following on from the emergency support it provided in Morocco in 2023, in 2024, the Group has signed up to two long-term educational projects in regions hit by the September 8, 2023 earthquake.

Expenditure on philanthropic activities (foundation and sponsorship activities) amounted to almost €1.5 million in 2024.

(1) Correspond to the members of the Group's Executive Committee and employees who are classified into four top-management categories ("bands") based on their level of responsibility. This classification is linked to the Willis Towers Watson Global Grading System method.

The Group's employees and sites also get involved directly in a wide range of direct actions. For example, their donations of money and equipment, as well as volunteering initiatives organized within Safran entities, have helped many non-profits and local communities, especially those that support people with disabilities and chronic illnesses. The year 2024 saw the completion of more than 650 community initiatives by all companies at their sites and by their employees around the world.

Tracking and assessing actions/initiatives and resource allocation

[S1-4 38d AR38 and AR39] [S1-4 39 AR34]

One of the ways that the Group assesses the effectiveness of its actions and initiatives in delivering outcomes for its own workforce is through certifications. For example, it has been awarded NMX-R-025-SCFI 2015 certification in Mexico for labor equality and non-discrimination, and has kept its GEEIS (Gender Equality European and International Standard) accreditation. In addition, some of the Group's sites in France are handi-accueillant certified, demonstrating that they are disability-friendly workplaces.

The results of its first Diversity and Inclusion survey gave Safran insight into its people's perception on diversity and inclusion within the Group. From now on the survey will be carried out annually across all sites, and will be an effective tool for gauging employees' views of the actions taken by Safran, as well as for identifying new action plans to prevent, or deal with, any potential negative impacts on its workforce.

[S1-4 41]

When following its roadmap, Safran ensures that the principles in its Ethical Guidelines are respected. These state that the Group does not tolerate any form of discrimination, whether based on gender, disability, family status, age, sexual orientation, religious beliefs, trade union activity or ethnic, social and cultural background, whether within or outside the Group. It also strictly respects the General Data Protection Regulation (GDPR), whose application is overseen by Safran's Data Protection Officer.

Diversity metrics

[S1-9] [S1-9 66a] [S1-9 AR71]

TABLE (EXAMPLE): BREAKDOWN BY GENDER (NUMBER AND %) OF SENIOR EXECUTIVES*

Gender	Number of senior executives	% of senior executives
Male	414	78%
Female	117	22%
TOTAL EMPLOYEES	531	100%

* Correspond to the members of the Group's Executive Committee and employees who are classified into four top-management categories ("bands") based on their level of responsibility. Responsibilities increase from category 4 to category 1. This classification is linked to the Willis Towers Watson Global Grading System (GGS) method.

[S1-4 43]

Budgets dedicated to the Group's objectives and roadmaps and specific local issues are an integral part of the overall budgets of each department (including human resources, financial planning and capital expenditure plans). The budget for the Mission Handicap program in France, which supports employees with disabilities, is centralized and then allocated to each company according to need.

2024 targets and achievements

[S1-5] [S1-5 46]

Safran had set an initial objective of increasing the proportion of women among senior executives across the Group to 22% in 2025. After achieving the initial target of 22% in 2024, up from 19.5% in 2023, a new target of 24% of senior management positions held by women has been set for 2025.

[S1-5 47a] [S1-5 47b]

This target is in line with the Global CSR framework agreement signed between Safran and the international federation of trade unions, IndustriALL Global Union, in which the Group's diversity and inclusion commitments are set out. The purpose of the agreement is to establish a consistent and transparent framework for respecting employees' fundamental rights in all of the countries in which the Group conducts business. It enables Safran to understand the views and concerns of its people via regular social dialogue, thereby ensuring continuous dialogue with the Group's employee representatives.

[S1-5 47c]

In 2024, women represented:

- 30% of the workforce;
- 37.3% of employees recruited;
- 22% of senior executives;
- 26.3% of Group Executive Committee members;
- 41.7% of Board of Directors members (see section 5.1.1.2).

However, the overall proportion of women in the aerospace sector and in industry in general is still low, particularly due to the low numbers of women entering engineering schools and technical jobs in most of the countries where the Group operates.

[S1-9 66b]

EMPLOYEES BY AGE GROUP*

Age	Number of employees (headcount)	% of employees
Under 30 years old	23,468	23%
30-50 years old	53,880	52%
Over 50 years old	25,294	25%
TOTAL EMPLOYEES	102,642	100%

* The completeness rate for age data is 99.58%.

Attracting and retaining talent and Developing skills (ESG topic 6)

In terms of innovation in the aerospace value chain, Safran is positioned as an architect of comprehensive solutions, products and services. This positioning generates numerous needs in terms of operational and strategic resources, both expert and managerial.

In a context of major digital transformation and a commitment to decarbonize aeronautics, skills and careers are in the throes of a profound shift. Preparing and supporting these changes is a major challenge for the Human Resources function. Safran must

guarantee the availability, in terms of both quality and quantity, of the skills required to respond to changes in the sector. These skills – which are both expert and managerial – correspond to operational and strategic resources that the Group needs to assure its long-term future (see section 4.3.3.3).

The double materiality assessment identified two positive impacts and one material risk for Safran (see list of IROs below) stemming from the "Attracting and retaining talent and Developing skills" ESG topic.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 6**Attract and retain talent & develop skills**

IROs	Description	Type	Time horizon	Policies related to the IRO
Socio-economic benefits for local communities through the maintenance or consolidation of local economic activity	Positive repercussions of the revitalization of regional economies and local communities, direct and indirect job creation, and action against regional desertification, industrial sites or commercial businesses that can drive employment in the region and create value for their ecosystem, skills development and stimulation of research and development in the region, and development and strengthening of the social fabric through support for projects and social initiatives that foster social cohesion.	I+	ST	Recruitment policy and employer brand
Development of the employability of employees and value chain workers through the Group's training activities	Development of the employability of employees through the high-level training offered by the Group, mobility opportunities within the Group, and the certifications awarded. Contribution to the upskilling of sector workers (upstream and downstream) and their employability and mobility, made possible indirectly by Safran's training efforts. Contribution to greater professional stability for employees and value chain workers by guaranteeing them a level of training that allows them to secure sustainable employment and a satisfactory wage.	I+	ST	Talent management and training policy
Decline in the Group's attractiveness in the event of a deterioration in the image of the aviation sector	Increased recruitment difficulties related to perceptions of the aerospace industry, perceptions being an important driver of attractiveness for young talent, affecting the Group's performance if the aviation sector fails to address current challenges, thereby casting doubt on its viability.	R	LT	Recruitment policy and employer brand

⊕ Positive impact; ⊖ Negative impact; Ⓡ Risk; Ⓢ Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

Talent management

Policy

[ESRS 2 MDR-P] [S1-1 19]

Safran is committed to building its employees' skills through a dynamic talent management policy, which:

- forward plans the Group's future skills needs;
- takes into account the aspirations of all employees;
- strengthens expertise;
- prepares the senior executives and leaders of tomorrow.

Skills requirements are identified through a process of forward-looking management of jobs integrated into a medium-term plan (MTP) and built on five-year industrial and financial forecasts.

This information is consolidated at Group level in order to build a comprehensive vision of the change in professions and skills that can be blended into support plans. This vision is based on a job description repository divided into four sections, 35 business lines and more than 160 benchmark jobs, which serves as an interpretive and analytical framework.

Actions

[S1-4 37] [S1-4 38d AR38 and AR39] [S1-4 40a]

The action plan associated with the Group's talent management policy has six key objectives:

1. Strengthen digital skills across all business lines:

The Digital Academy training platform allows users to acquire skills related to:

- the adoption of new approaches to product modeling using Model-Based System Engineering methodology;
- Product Lifecycle Management (PLM) and its optimization through digital continuity;
- the application of Lean 4.0 methods to support the transition to the industry of the future, such as augmented reality for quality control and assembly assistance, the use of cobots and robots for physical assistance, and closed-door machining;
- the use of data science across all business lines. This includes health monitoring, predictive maintenance and artificial intelligence for image recognition in a wide range of areas including cybersecurity, software development, and systems and technical architecture.

2. Support employees as they progress within the Group:

- implementation of a thorough integration process;
- promotion of a robust corporate culture based on Safran's values and the "Safran Together" leadership model;
- development of personalized career paths for all people across all of the Group's businesses. The mobility of employees and their ability to improve their skills are both a key to maintaining their employability and a prerequisite for the Group's transformation and agility. In order to offer

diversified career paths tailored to each individual, the Human and Social Responsibility Department relies on:

- performance and professional development reviews,
- career committees in the operating companies,
- business line committees, which meet several times a year.

A central mobility coordination team regularly brings together mobility officers from all Safran subsidiaries. It identifies needs, shares information between companies and assures the correct application of mobility rules. At the same time, another body deals specifically with the mobility of senior executives in companies.

3. Deploy the "Safran Together" leadership model:

Safran's leadership model was updated in 2024 to factor in changes and developments within the Group itself (strong international growth, high number of recruitments) and external changes (such as work organization and employee expectations). This new model is more inclusive, engaging and unifying, so that everyone feels involved and that Safran's overriding objective of excellence is embodied in its people's behavior. This framework is founded on four key principles: succeeding together, fostering an environment of trust, daring to innovate and committing to a shared vision.

4. Preserve and strengthen know-how:

- transmission of key knowledge between generations, particularly in the fields of mechanics, avionics and materials;
- promotion of the network of experts;
- reinforcement of skills associated with ecological transition: electrical, power electronics, energy management, systems, airworthiness and sustainable fuels.

5. Identify high-potential employees and support them in their professional development:

Safran's success and performance depend on its ability to retain talent, help its people build their careers, forward plan for transformational changes in work organization methods, and recognize and reward employees for their achievements. It does this through:

- applying a transparent and joint policy for the management of high-potential employees;
- developing programs, including mentoring, to sharpen business and behavioral skills;
- including high-potential employees in succession plans;
- setting up talent reviews by region to more effectively identify international talent and support these employees in managing their careers.

6. Enhance the appeal of the industrial sector, by:

- offering personalized career guidance for employees in this sector (assessment, cross-cutting skills, training, etc.);
- communicating about industrial professions to make the sector more attractive.

[SI-4 41] [SI-4 43]

Safran respects three fundamental principles in order to avoid any material negative impacts on its workforce:

- fair treatment of all job applicants;
- transparency (both within and outside the Group) throughout the human resources process;
- compliance with Safran's Ethical Guidelines and the procedure for preventing and detecting corruption risks.

The Group also ensures that its business is conducted with respect for privacy and the protection of the personal data of its employees and contacts (applicants, service providers, etc.).

Targets**[SI-5 46]**

The key targets of the Group's talent management policy are aligned with the UN Sustainable Development Goals (SDGs 5, 8, 3, 4 and 10).

The target for the percentage of women holding senior executive posts Group-wide by 2025 is reflected in other annual targets, such as the proportion of women on management committees. The targets of the talent management policy include objectives related to the internationalization of talent.

Recruitment and employer brand**Policy****[ESRS 2 MDR-P] [SI-1 19]**

Safran is continuing to develop its employer brand worldwide in order to increase the Group's attractiveness. The Group strives to ensure that its approach is consistent across its various host locations, where labor market needs differ and recruitment requirements are specific. Safran has therefore implemented a recruitment policy with the following key objectives:

- **recruit graduates who have completed internships, work-study programs, doctorates or international corporate volunteer programs** within the Group. Safran is committed to supporting this recruitment through its European framework agreement to support young people in transitioning from school to work;
- **diversify the profiles of new hires;**
- **increase the recruitment of engineers with doctorates;**
- **prioritize the recruitment of experienced profiles specialized** in fields such as materials, special processes, electrics and power electronics, as well as information and data technologies.

This policy also demonstrates Safran's commitment to attracting and integrating a diverse range of talents, from graduates to experienced professionals, to meet the technological challenges and needs of the aerospace industry. In 2024, Safran pursued its recruitment drive, hiring 18,263 employees worldwide, including 16,073 on permanent contracts and 2,190 on fixed-term contracts.

Actions**[SI-4 37] [SI-4 38c] [SI-4 38d AR38 and AR39] [SI-4 40a]**

Numerous communication campaigns are run on social media and recruitment platforms to promote awareness of the Group's jobs of the future.

A system for allowing employees to put forward names of people for vacant positions has been introduced in France, the United Kingdom and the United States.

Events for students, including forums, roundtables, conferences, mock interviews and CV coaching by experienced recruiters and site visits, are organized on a regular basis. The many partnerships signed with target engineering, business and management schools and universities are managed dynamically; in 2024, they received support from an active network of more than 250 Safran employee ambassadors. The ambassadors participate in the design of the educational content of their schools, and organize or participate in numerous events between Safran and their partner school. The Group is strengthening its attractiveness in new digital skills thanks to partnerships with specialized schools, and data and cybersecurity masters programs, as well as via a communication campaign with recruitment targets and new digital ambassadors.

Regional development actions

Safran contributes to regional development through its recruitment policy, offering training for young people, and developing exchanges between the academic and business worlds to promote aerospace industry professions.

Safran has therefore set up partnerships with several schools and universities and plays a role in society by developing the knowledge and skills of the many young people who complete part of their training (through internships, work-study programs or PhDs) with the Group each year.

Opportunities for students to work on thesis topics or internships in fields related to the Group's technological activities, with Safran therefore helping develop their knowledge and employability (see section 5.1.4.4). Every year, many Safran employees give talks and lectures at well-known schools and universities. This engagement in broader society helps to bring young people into the workforce in high-tech professions, and also serves to unite the academic community around concerted scientific objectives, complementing bilateral mechanisms and research chairs.

Firm economic offset commitments to client governments, via which Safran also contributes to job creation by purchasing or investing directly in its host countries. The Group also contributes to strengthening the skills of talent in client countries by training qualified personnel. This is the case in India and Morocco.

Safran is also a "National Defense Partner" in France through the military reserve

Safran affirms its commitment to sovereignty by supporting French volunteer reservists in the army and the police, as well as veterans in the United States. In France, the law allows employees to devote up to 10 days of their working time each year to the military reserve. Since 2006, Safran has granted its employees an additional 10 days per year, giving them a total of 20 days of authorized paid time off to fulfill their reserve obligations. Nearly 100 employees are involved as committed citizens to help protect the country. In 2021, the Group strengthened its commitment by signing an agreement with the French Ministry of the Armed Forces to support the military reserve policy. In addition, in the United States, Safran supports veterans through fundraising, non-profit organizations and on-site actions, such as participation in special Memorial Day and Veterans Day events.

[S1-4 41] [S1-4 43]

Safran respects three fundamental principles in order to avoid any material negative impacts on its workforce:

- fair treatment of all job applicants;
- transparency throughout the human resources process;
- compliance with Safran's Ethical Guidelines and the procedure for preventing and detecting corruption risks.

Targets**[S1-5] [S1-5 46] [S1-5 47a]**

Safran's Talent Acquisition Department oversees the Group's recruitment policy and standards.

All recruitment teams are required to respect the Group's fundamental standards and principles for hiring and onboarding new employees.

Training**Policy****[ESRS 2 MDR-P] [S1-1 19]**

Training plays a crucial role in the Group's transformation, making it more agile, more digital and more innovative, while driving sustainable growth. It enables employees to develop the skills they need to keep pace with changes in society, which increases employee engagement and employability. Safran therefore created Safran University and a dedicated campus.

Safran University draws up the training roadmap and provides part of the training hours of all employees worldwide. Safran is certified by Qualiopi, a French label that recognizes the quality of its internal training organization's processes.

The Group's training policy, which is drawn up by Safran University, has three main aims:

- **define a strategic training offer** to develop skills within the various business lines in the fields of operational excellence, digital transformation, energy transition, business performance and support, managerial skills and leadership, diversity and inclusion;
- **develop innovative, high-performance educational solutions focused on the user experience** through best-in-class training tools and in-house content production.

Safran University's educational approach is employee-centric and integrates the latest technological and neuro-pedagogical developments. Safran University encourages the "learning enterprise" approach through an educational and digital innovation plan and the implementation of methods related to social learning and the workplace, such as mentoring and tutoring. The courses are backed up by a range of teaching approaches and a variety of resources, combining e-learning via several platforms, virtual and face-to-face classes, immersive learning and on-the-job training;

- **continue to roll out a more efficient and international organization** to support the growth of training.

Actions**[S1-4 37] [S1-4 38c] [S1-4 38d AR38 and AR39] [S1-4 40a]**

Safran's training offering comprises 230 strategic training programs, including reskilling programs for jobs in demand (software, operational safety and electronic card programming). The Group supports its employees who are seeking career moves into the new IT professions such as data scientists or enterprise architects. Training courses are also offered in relation to corporate social responsibility topics (e.g., anti-corruption measures, climate and diversity).

The training offering was expanded in 2024 with the launch of a program dedicated to developing and accrediting the skills of the Group's leading specialists. Two e-learning platforms were set up as part of this program:

- the Sustainability Academy, devoted to climate change challenges, CSR and the circular economy and aimed at raising awareness among all Group employees worldwide;
- the Supply Chain Academy, designed to deliver training to supply chain staff.

Also in 2024, the Group continued its drive to create a massive digital culture shift among its employees through its e-learning platform, the Digital Academy.

Professional training centers created by Safran worldwide

The Global CSR Framework Agreement, see section 5.1.1.3.1, stipulates that "in each country where it operates, Safran favors local human resources to fill available jobs and whenever possible, develops local integration".

This commitment is demonstrated in the provision of vocational training for aerospace jobs to facilitate skills transmission, as well as in Safran's support for research to encourage innovation at the Group's various locations.

For example:

- In India, the CFM Training Center allows Group employees and employees of local airlines to upgrade their skills. The joint venture between Safran Helicopter Engines and Indian company, HAL, provides support to national and international operators using helicopter engines, primarily the Indian air force, navy and army.
- In Morocco, Safran helped forge the partnership between the Moroccan government, the Moroccan Aeronautical and Space Industries Group (GIMAS) and France's Mining and Metals Industry Confederation (UIMM). It also supported the creation of the IMA aerospace vocational training institute and is partnering with Moroccan authorities to develop the country's research capabilities by creating doctoral programs in aerospace disciplines. Partnerships are also in place with École Centrale Casablanca and Mohammed VI Polytechnic University.

And since 2023, Safran University has had a campus in Casablanca which delivers training programs for the Group's Moroccan employees.

Developing a network of industrial schools

In 2024, Safran continued to expand its network of industrial schools.

The Safran Industrial Schools provide hands-on, operations-based training for technical professions, either on site or in partnership with external training centers. The purpose of the network is to bring the various schools together under a shared banner to accelerate ramp-ups, delivery times and industrial developments, while at the same time meeting stringent safety, quality and performance requirements. It is also intended to define and structure standards across the different schools, share best practices, promote collaborative intelligence and help launch new schools, therefore driving the skills development of Safran employees.

CampusFab training – preparing for the Factory of the Future

Since 2019, Safran has been partner and chair of Campus Fab, which provides acculturation and training for aerospace and space technicians and engineers in the jobs that will be part of the industry of the future.

Located in France, the campus is run by a consortium made up of industrialists, employment organizations and training centers, and is supported by the French State and France's *Investissements d'avenir* (Investments for the Future) program. It provides Safran employees with continuous training to prepare them for the challenges of tomorrow's digital factory, and plays a key role in the digital transformation of the Group's operations. Working alongside industry specialists, Safran University organizes training programs at CampusFab that are geared towards the Factory of the Future. All of these actions are designed to build the skills of the Group's employees by offering diplomas, such as the CQPM metallurgy qualification certificate for autonomous production unit technicians, as well as programming modules and training catalogs made available on digital platforms.

Targets**[S1-5 46]**

The key targets of the Group's training policy are aligned with the UN Sustainable Development Goals (SDGs 5, 8, 3, 4 and 10).

Safran's flagship target in terms of training is to increase the average number of training hours per employee to 26 by 2025.

Training metrics**[S1-13 83b AR78]****Key training figures for 2024 worldwide**

29 hours dedicated to training per employee on average.

Remuneration**Policy****[ESRS 2 MDR-P] [S1-1 19]****Remuneration and giving employees a stake in company performance**

In order to ensure it has a strong employer brand, Safran's overall remuneration policy is aligned with market practices and complies with the statutory minimum wage levels in the countries where it operates.

Safran is committed to paying its employees in a fair and equal way, and its policy involves:

- taking into account local situations (local standards and laws in the various employment areas) and supporting job moves and promotions to encourage risk-taking and initiative. Close attention is paid to jobs subject to shortages, gender equality, starting salaries and employees beginning their careers. Specific sums are set aside to make up for any wage gaps;
- building remuneration partly on the basis of employees' individual performance and level of responsibility, but also partly on the collective performance of each company and the Group. In addition to Group agreements, Safran encourages the negotiation of local collective agreements in line with the applicable legal framework;
- offering differentiating and attractive benefits.

REMUNERATION PACKAGE OBJECTIVES AND STRUCTURE



* TSR: Total Shareholder Return.

Safran also incorporates CSR objectives into its remuneration policies, mainly in optional employee profit-sharing agreements and long-term management remuneration plans see section 5.1.1.2.3.

The Group analyzes the consistency of its employees' remuneration, both internally and externally, using positioning and remuneration surveys provided by a benchmark provider, in order to attract potential applicants and retain employees.

In addition, Safran has put in place a number of employee profit-sharing systems, such as the Group employee savings plan (PEG) and the collective retirement savings plan (PERCOL) in France, and one-off operations such as the 2020 Profit Sharing Plan.

The PEG and PERCOL investment mechanisms benefit from a socially responsible investment (SRI) label as from January 1, 2023, with the exception of funds invested in Safran shares.

Adequate wage metrics

[S1-10] [S1-10 69] [S1-10 70]

Calculation scope and data collection method for remuneration metrics

The reporting scope for the remuneration metrics concerning adequate wages, the gender pay gap and the pay ratio covers all employees who hold an employment contract with a Safran entity. In order to ensure consistency of results, only employees with at least one year's seniority in 2024 were included, particularly because some remuneration components are subject to criteria based on seniority (e.g., variable remuneration).

The data collected represents 96% of the Group's workforce.

Adequate wages

The proportion of the Group's workforce who receive an adequate wage is calculated taking into account their basic salary as well as guaranteed fixed bonuses, and excluding any other type of benefit.

In accordance with the CSRD, the benchmarks used for adequate wages are as follows:

- in the European Economic Area:
 - the minimum wage set by national legislation or the applicable collective bargaining agreement for Germany, Belgium, the Czech Republic, Spain, France, the Netherlands and Poland (this benchmark is being used pending transposition into national laws of EU Directive 2022/2041 on adequate minimum wages);
 - 60% of the national median wage for Norway and Finland;
- outside the European Economic Area:
 - the minimum wage set by national or regional legislation for Australia, Brazil, Canada, China, Egypt, Hong Kong, India, Japan, Malaysia, Mexico, Morocco, New Zealand, South Africa, South Korea, Switzerland, Taiwan, Thailand, Tunisia, the United Arab Emirates, the United Kingdom and the United States;
 - the adequate wage set by the Fair Wage Network for Singapore.

In 2024, all Group employees received an adequate wage based on the benchmarks used⁽¹⁾.

CALCULATION OF THE AVERAGE REMUNERATION LEVEL

$$\frac{\text{Average gross hourly pay level of male employees} - \text{average gross hourly pay level of female employees}}{\text{Average gross hourly pay level of male employees}} \times 100$$

■ Pay ratio

[S1-16 97b] [S1-16 97c]

The pay ratio, which is the ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration for all employees (excluding the highest paid individual), was calculated on the basis of total annual remuneration, comprising basic salary, guaranteed fixed bonuses, variable remuneration (bonus and mandatory and discretionary profit-sharing) and long-term remuneration plans.

For this calculation, all remuneration has been converted into euros.

In 2024, Safran's total annual pay ratio was 58, without any adjustments.

Remuneration metrics (pay gaps)

■ Gender pay gap

[S1-16] [S1-16 97a] [S1-16 98]

For the purpose of calculating gender pay gaps, the remuneration taken into account includes basic salary, guaranteed fixed bonuses and variable remuneration.

Gender pay gaps have been calculated taking into account (i) job types, based on job categories, and (ii) the countries concerned. An average of the pay gaps by job category and then by country was calculated to determine the overall gender pay gap at Group level.

In 2024, the overall gender pay gap at Safran was 5.7%. In France, where Safran has the largest workforce, the gap is 2.6%.

Quality of social dialogue (ESG topic 7)

Since its creation, Safran has made social dialogue a major focus of its corporate culture, contributing to the balancing and regulation of labor relations within the Group. As a shared foundation for labor policy, collective agreements demonstrate the Group's commitment to its employees and contribute to the success of the entire organization and to economic performance.

The double materiality assessment identified that Safran is exposed to one material risk associated with the "Quality of social dialogue" ESG topic, which is described below.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 7

Quality of social dialogue

IROs	Description	Type	Time horizon	Policies related to the IRO
Disruption or even interruption of operations in the event of a deterioration in social dialogue	Slowdown, disruption or even stoppage of operations due to social unrest, resulting in a decline in productivity. Additional costs and lost revenue in the event of business interruption, management of production and delivery delays, customer compensation, etc.	(R)	ST	Social dialogue policy

⊕ Positive impact; ⊖ Negative impact; (R) Risk; (O) Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

(1) According to the Fair Wage Network, 0.2% of employees in Singapore earned less than an adequate wage in 2024. These employees are nationals of other countries (such as Malaysia) and receive other benefits such as housing, variable consideration or commute daily between their country of residence and the country in which they work. It mostly concerns technicians, operators and employees who are compensated according to their skills as well as market practices for their functions.

Social dialogue policy

[ESRS 2 MDR-P] [SI-1 I 19]

The Group undertakes to guarantee the proper representation of all its employees, freedom of association and respect for trade union rights in accordance with international standards (notably the ILO conventions) and local laws, through:

- membership of the United Nations Global Compact since 2014;
- application of a Global CSR Framework Agreement (see section 5.1.1.3.1).

The quality of the social climate is the result of ongoing dialogue between management, employees and their representatives. All dialogue is carried out with unfailing respect for trade union rights as defined by the ILO, the United Nations Global Compact, the OECD guidelines and local laws in each country, while maintaining an unbiased attitude towards the various trade union organizations.

Social dialogue takes place at the global, European, country, Group, company and subsidiary levels.

At the highest level, Safran's Board of Directors includes two Directors representing employees and two Directors representing employee shareholders.

Nearly 75% of employees have access to local employee representation bodies in their company.

Actions

[SI-2 27] [SI-2 27a] [SI-8 63b]

Safran's social dialogue bodies are adapted to local practice.

In Europe, social dialogue mainly revolves around the European Works Council (EWC) and the application of three agreements covering all European Union countries, plus Switzerland, Norway and the United Kingdom and signed between IndustriALL Europe⁽¹⁾ and Safran.

The committee responsible for monitoring the Global CSR framework agreement includes (i) employees from representative trade unions representing their continent or country, and (ii) representatives of IndustriALL Global Union, the global federation of industrial trade unions (see section 5.1.1.3.1).

Depending on the procedures provided for in the local legislation of the Group's operating countries, the employee representative bodies are kept informed of Safran's major corporate decisions, in particular its strategic and organizational choices and the impact these will have on employees.

Support for transformation in the Group

[SI-2 27b AR19]

In a resolute dynamic of sharing and listening, partner unions are regularly informed or consulted on the company's strategy, including industrial processes, employment, digitalization, financial issues, health and safety, CSR and new projects.

Social dialogue takes place with representative bodies and trade unions at the country, company and local levels. It is reflected in agreements signed at global, European, national and local levels. The rollout of these agreements is monitored with employee representatives through a number of dedicated committees.

In France, the European Works Council meets around eight times a year, and the French Group Committee generally holds two meetings a year.

The frequency of the meetings held by local employee representative bodies varies from country to country, but is generally monthly.

In the consultation processes organized with employee representative bodies prior to a project being implemented, the discussions mainly focus on the impact on employees of the project presented and the employee support to be provided, as well as a review of the proposals put forward by the employee representatives.

Social dialogue also takes place within the Group through negotiations, particularly for internal company agreements, and training for members of employee representative bodies.

In some cases, employee representative bodies (local Social and Economic Committees and the Central Social and Economic Committee in France, or the European Works Council) can commission a report from an independent expert to provide them with more detailed information about a particular transaction.

[SI-2 27c]

The executive management teams of Safran and its subsidiaries play an essential and proactive role in making sure that social dialogue does actually take place, and that its results are taken into account in the Group's overall strategy. The European Works Council and the French Group Committee are chaired by Safran's Chief Executive Officer and the local works councils are chaired by the CEOs of the subsidiary or entity concerned.

[SI-2 27d AR20]

The Global CSR Framework Agreement signed by Safran with the IndustriALL Global Union provides a solid structure and tangible commitments in terms of respecting employee rights, recognizing trade union rights and promoting social dialogue. Article 3.2 of this agreement highlights the importance of keeping up a steady stream of transparent and respectful dialogue between Safran and the trade unions in order to ensure fair working conditions and support CSR initiatives at all levels. In tandem, its overall content demonstrates the Group's commitment to promoting workers' rights and improving social and environmental actions.

The purpose of the agreement is to establish a consistent and transparent framework for respecting employees' fundamental rights in all of the countries in which the Group conducts business. It enables Safran to understand the views and concerns of its people via regular social dialogue, thereby ensuring continuous dialogue with the Group's employee representatives. This dialogue fosters a better understanding of employees' needs and expectations, and provides assurance that human rights principles are being applied consistently within the Group worldwide. It also underlines the Group's commitment to providing the best possible working conditions and taking care of its people's well-being.

[SI-2 27e] [SI-2 AR24]

Safran regularly carries out information and consultation processes with employee representative bodies about the Group's decisions, in compliance with local legal and regulatory procedures, such as prior to signing internal Company agreements. During these processes, full information is provided to the bodies concerned, enabling all stakeholders to be aware of the topics and decisions under consideration.

The opinions expressed by employee representatives during such processes are formally documented and discussed at meetings of the employee representative bodies, in the presence of management representatives. This guarantees that employee feedback is taken into account in decision-making processes.

(1) IndustriALL Europe is a European association of industrial trade unions. It is partnered with IndustriALL Global Union, which brings together unions in the metal, chemical, energy, mining, textile and related industries.

The employee representative bodies have dedicated budgets, some of which include specific funds to enable them to commission reports from independent experts so that consultation processes can take place based on full and impartial information.

For example, in 2024, the European Works Council requested an independent expert's report about the Aircraft Interiors business. Employee representatives have freedom of circulation within the Group's departments and are given time off from work so they can engage directly with members of staff. Once a year, the European Works Council (EWC) holds a two-day meeting in one of the Group's operating countries, to visit Safran sites and meet employees. On-site meetings were organized regularly in different countries by the EWC in order to maintain direct and continuous communication with employees.

[S1-2 28] [S1-2 AR23]

In 2021, a European framework agreement was signed between IndustriALL Europe and Safran, with the aim of preserving jobs by developing skills and securing professional careers. Safran is committed to ensuring the employability of all employees by increasing access to training, defining an annual number of hours of training per employee, and facilitating mobility. To that end, an annual European occupational observatory facilitates the sharing information on medium-term changes in jobs and skills in line with the Group's strategy and discussing ways of preparing and adapting the workforce to these changes.

In 2024, a new European "Family and Work Life" agreement was negotiated and signed with IndustriALL Europe. It provides a basis for very concrete joint actions for the Group's 60,000 employees in the European Union, Switzerland, Norway and the United Kingdom, taking into account the diversity of cultures, sensitivities and regulations between these countries. The agreement reflects a shared desire on the part of the Group and the European social partners to respond to changes in society and the expectations of employees through specific commitments on parenthood and employees caring for family members.

In France, 2024 was marked by the unanimous signing of several agreements granting rights to employees and aimed at continuously improving working conditions.

At local level, agreements can be negotiated relating to the medium-term business plan of the site concerned, covering topics such as investments, employment forecasts, and information for employee representatives about tracking the commitments contained in the agreements. An illustration of this approach is the "Future" agreement renewed by Safran Cabin in Herborn, Germany.

Processes to remediate negative impacts and channels for own workers to raise concerns

[S1-3] [S1-3 32a] [S1-3 32b AR28] [S1-3 32c] [S1-3 32d] [S1-3 32e AR32] [S1-3 33 AR31] [S1-4 AR33]

In addition to the access that all employees have to HR contacts and the employee representative bodies described above, Safran has set up formal complaint and whistleblowing processes, which are described on, and accessible via, the Group intranet and the website, and which employees can use to report any concerns and needs they may have in an anonymous, confidential and secure way. Through these channels, which are both internal and collaborative, employees can effectively voice their concerns and be assured that they will be appropriately addressed (see section 5.1.4.3.2).

These procedures include a whistleblowing system for reporting the existence or actual occurrence of risks.

The whistleblowing system meets all legal requirements on duty of care and the French Sapin II law. Employees who suspect that a practice or incident may be illegal or in violation of the Group's rules of business conduct have the right to notify or request guidance from their managers, the Head of Internal Control, the Head of IT Security, the Security Officer, the Head of Human Resources, the Ethics and Compliance Department, the Legal Department, the Finance Department, the Quality Department, the Audit and Internal Control Department, the Compliance, Ethics and Anti-Fraud Committee or the Group's ethical whistleblowing channel⁽¹⁾. They can use the alert method of their choice.

The whistleblowing system has been presented to employee representatives and is accessible via the Group intranet.

Additionally, as part of the Global CSR Framework Agreement, a formal complaints handling process has been put in place to deal with any breaches of the principles and commitments contained in the agreement and to ensure that any disputes between its signing parties are effectively resolved. Local issues or complaints expressed by union representatives to IndustriALL Global Union are analyzed and whenever such issues or complaints are founded, constructive solutions are sought by IndustriALL, the Labor Relations Department and local management.

Agreements at each level of employee representation

[S1-4] [S1-4 37] [S1-4 40a] [S1-8 63b]

Social dialogue takes place with representative bodies and trade unions at the country, company and local levels. It is reflected in agreements signed at global, European, country (for France) and local levels. The rollout of these agreements is monitored with employee representatives through a number of dedicated committees.

⁽¹⁾ It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

Overview of company agreements and their scope:

Agreements and topics	Scope
Global CSR Framework Agreement (see section 5.1.1.3.1), among the topics covered: ■ Respect for trade union rights in accordance with international standards (notably the ILO conventions) and local laws ■ Fight against climate change and protection of the environment	100% of employees
Local company agreements: ■ Comprehensive local multi-year collective bargaining agreements: very broad scope within the company ■ Agreements signed with employee representative bodies: specific subjects and variable durations (working hours, optional employee profit-sharing, work-from-home arrangements, working conditions, union rights, gender equality, etc.)	■ United States, Canada, Mexico, Czech Republic, etc. ■ France, Belgium, Germany, Netherlands, United Kingdom, Switzerland, Morocco, Tunisia, Poland, Spain, Singapore, China
Collective bargaining agreements:	■ France (collective bargaining agreements of the metallurgy and rubber industries) ■ Germany (Hesse state Tariff agreement) ■ Belgium (joint commissions 209, 111 and 315; 01) ■ Netherlands (Metaal Unie) ■ Brazil (SIMMEC, SEAAC) ■ South Africa (National Textile Bargaining Council)
European collective agreements: ■ Development of skills and securing of career paths ■ Professional integration of young people ■ Family and work life balance	Europe 62% of Group employees
16 agreements applicable in France, including: ■ experienced employees ■ employee savings ■ pensions and personal risk insurance ■ parenthood ■ disability ■ training and management of jobs and career paths ■ prevention of stress at work ■ development of social dialogue	Applicable to companies in France 52% of Group employees

Social dialogue metrics

[S1-8] [S1-8 63a AR69] [S1-8 60b]

COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE – EUROPEAN ECONOMIC AREA (EEA)

Collective bargaining coverage of employees – EEA (for countries with >50 empl. representing >10% total empl.)		Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
80-100%	France	France
In 2024, more than 10% of Safran's total workforce for the European Economic Area countries was in France only.		

CALCULATION OF THE PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

[S1-8 60a AR66]

$$\frac{\text{Number of employees covered by collective bargaining agreements}}{\text{Number of employees}} \times 100$$

CALCULATION OF THE PERCENTAGE OF EMPLOYEES WORKING IN ESTABLISHMENTS WITH WORKERS' REPRESENTATIVES

$$\frac{\text{Number of employees working in establishments with workers' representatives}}{\text{Number of employees}} \times 100$$

Human rights related to the Group's workforce (impact related to ESG topic 4)

As part of its double materiality assessment Safran identified one negative impact linked to the non-respect of employees' human rights relating to discriminatory practices or harassment in the workplace. This negative impact is related to the "Health and safety & Quality of life at work" ESG topic.

ESG topic 4**Health and safety & Quality of life at work**

IROs	Description	Type	Time horizon	Policies related to the IRO
Failure to respect the human rights of employees in the event of discriminatory practices or harassment in the workplace	Violation of the rights of employees subjected to discrimination or harassment in the workplace or in connection with their professional activity.	(I-)	ST	Human Rights policy
⊕ Positive impact; ⊖ Negative impact; Ⓡ Risk; Ⓢ Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term				

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4.1).

Human rights policies related to the Group's own workforce

[S1-1 19] [ESRS 2 MDR-P]

Safran has several policies and charters in place on topics specific to human rights in the workplace, and in particular: the Health, Safety and Environment policy, the Responsible Purchasing policy, the Ethical Guidelines, the Code of Conduct for the Prevention and Detection of Acts of Corruption, the Diversity Charter, the Personal Data Protection policy, the Neutrality Charter, the Fair and Equal Culture policy, the Group's HR fundamentals and the Safran Together leadership model.

In addition to these policies and charters, towards the end of 2024, the Group launched a more general "umbrella" human rights policy, covering all of its employees worldwide. The aim of this policy, signed by the Group Chief Executive Officer and published on Safran's website, is to define the human rights principles applicable to all sites, including the Group's entire chain of activities worldwide, as well as to other stakeholders that could be impacted by its activities.

[SI-1 20]

As the Group is subject to French law no. 2017-399 of March 27, 2017 on the duty of care of parent companies, it has set up a compliance system, overseen by the Group's Ethics and Compliance Department, which reports to the Group Corporate Secretary, member of the Group Executive Committee. This department coordinates and implements Safran's duty of care plan – which covers, in particular, human rights in the workplace – in collaboration with the following departments: Audit and Internal Control, Climate, Responsible Purchasing, Legal, Diversity, Risk and Insurance, CSR, and HSE, as well as the Board Secretary's office. Each department establishes policies and actions to prevent risks as effectively as possible. The plan is approved and subject to regular review by the Compliance, Ethics and Anti-Fraud Committee.

In order to ensure that the Group meets its duty of care obligations in the course of its business, including respecting human rights in the workplace, a map of potential risks that could impact stakeholders has been drawn up and is improved on a continuous basis. The risks analyzed through this mapping process cover the various principles and treaties mentioned in the introduction to this data point, which Safran has undertaken to respect (see below).

[SI-1 20a]

With regard to its employees, Safran's Human Rights policy expressly includes vigilance related to:

- prohibition of all forms of forced labor and child labor;
- prohibition of all forms of harassment, violence and discrimination, and protection against intentional and unlawful harm;
- the rights to working and employment conditions that protect health and safety; an adequate wage; and training;
- the rights to freedom of association and collective bargaining;
- respect for privacy and personal data.

Through this policy, Safran and its employees undertake to:

- respect ethical values and behaviors and integrate them into the corporate culture; ensure compliance with the Group's internal policies; and monitor the effectiveness of associated progress plans;
- analyze risk-exposed situations, take action on the underlying causes and remediate consequences when necessary;
- recognize and reward positive contributions to risk prevention and encourage a learning culture;
- promote and ensure compliance with ethics commitments throughout the Group's chain of operations, including in relation to suppliers, service providers, subcontractors and distributors;
- report and manage any breaches of ethics rules, support those involved and protect whistleblowers.

Human rights governance

Respect for human rights is a central commitment for Safran and is embodied in the "Be an exemplary employer" and "Embody responsible industry" pillars of its CSR policy.

The system for monitoring human rights compliance is overseen by the Ethics and Compliance Department, which draws up an annual roadmap. In parallel with this monitoring system, the Human and Social Responsibility Department (HSRD) works on a daily basis to:

- build skills, encourage job moves and ensure that all Group employees have the best possible working environment;
- promote equal opportunities, diversity and inclusion, while supporting collaboration, mutual aid, social dialogue and respect for trade union rights, with the assistance of its network of liaison staff, particularly its Health & Safety and Diversity & Inclusion officers.

The Compliance, Ethics and Anti-Fraud Committee is tasked with overseeing that employees respect the general framework relating to compliance with the rules in the Ethical Guidelines and any changes in the applicable laws, regulations and internal rules, including in connection with human rights. This Committee is chaired by the Corporate Secretary, but all of the Group's departments are responsible for ensuring that their teams respect the compliance criteria. Its other permanent members are the Chief Financial Officer, the EVP International Development and Public Affairs, the EVP Corporate Human and Social Responsibility, the EVP Industrial, Purchasing and Performance, the Chief Legal Advisor, the Group Ethics and Compliance Officer, the Group Chief Security Officer, the Head of Audit and Internal Control, and the Head of Group Internal Control. The Committee meets twice a year.

Human rights metrics

Safran has a large number of metrics encompassing various aspects of labor law and human rights. These metrics, which are tracked by the Human and Social Responsibility Department, enable the Group to effectively measure the results of the corresponding actions put in place. Performance reports on these metrics and year-on-year comparisons are included in Safran's Duty of Care Plan.

[SI-1 20b]

Safran's Human Rights policy (described above) expressly includes a duty of care regarding the principles of freedom of association and collective bargaining. Safran's actions and commitments in this area are detailed in section 5.1.3.1.3, in particular trade union rights, as well as the rights associated with freedom of negotiation and social dialogue.

[S1-1 20c]

Any impacts on human rights are identified and dealt with via the Group's whistleblowing system, which complies with statutory requirements under France's duty of care law, including those related to human rights. The Group's Code of Conduct provides that anyone who suspects that a practice or incident may be in violation of the Group's rules or the applicable laws and regulations – notably regarding human rights – can report their suspicion through a number of different channels, i.e., reporting to line managers or a manager in the Internal Control, Security, Human Resources, Ethics and Compliance, Legal, Finance, Quality or Audit departments, or through the Group's secure and multilingual whistleblowing channel which is accessible to all stakeholders (employees, customers, suppliers, etc.), with the whistleblowing reports being entirely confidential and the whistleblower given the choice of whether they wish to remain anonymous⁽¹⁾.

The whistleblowing system guarantees:

- protection of whistleblowers' identities and no repercussions for whistleblowers reporting cases in good faith;
- traceability and confidentiality of the reports, with full security of the information handled;
- respect of data protection laws and regulations;
- information provided to the whistleblower about how the investigations are progressing, and their outcome;
- a presumption of innocence for the person(s) reported by the whistleblower, and information provided to such person(s) of the allegations made against them so they can prepare their defense;
- clear procedures for collecting, investigating and handling whistleblowing reports;
- precise definition of the conditions for archiving and destroying information once the process has been completed.

This system ensures that whistleblowing reports relating to human rights are handled in an ethical and transparent way within all Safran entities.

[S1-1 21 AR12]

When conducting its business, and particularly in its relations with its employees, since signing the United Nations Global Compact in 2014, the Group has been committed to complying with it and its ten principles relating to human rights, international labor standards, the environment and the fight against corruption. Safran signed up to the Global Compact in 2014, voluntarily undertaking to promote and uphold these universal principles in its business practices. The Group has developed its Duty of Care Plan within the framework of the OECD guidelines, the fundamental conventions of the International Labour Organization (ILO) and the UN International Bill of Human Rights. In addition, Safran contributes to the UN Sustainable Development Goals, with a particular focus on certain of these goals and their underlying targets.

In light of these commitments, the Group's Duty of Care system – which is overseen by the Ethics and Compliance Department and includes a duty of vigilance regarding respect for human rights – is aligned with the UN Guiding Principles on Business and Human Rights. These principles are therefore included in the risk repository underlying the risk map for the Group's duty of care obligations as required by the relevant law.

[S1-1 22] [S1.SBM-3 14f] [S1.SBM-3 14g]

Safran's "umbrella" Human Rights policy, which applies to all employees, in all Group subsidiaries and in all countries, expressly includes vigilance related to the prohibition of forced labor and child labor.

Consequently, the various HR policies in place within the Group, and in particular its recruitment policies, strictly prohibit forced labor and child labor, even if such forms of work are authorized or tolerated in certain countries where subsidiaries are based.

The Group's Duty of Care system – which is overseen by the Ethics and Compliance Department and includes a duty of vigilance regarding respect for human rights – encompasses the strict prohibition of forced labor and child labor. These elements are therefore included in the risk repository underlying the risk map for the Group's duty of care obligations, as required by the relevant law.

Metrics for 2024**[S1-17 AR105] [S1-17 AR106] [S1-17 103a] [S1-17 103b] [S1-17 103c] [S1-17 103d] [S1-17 104a] [S1-17 104b] [S1-17 104b]**

- Total number of reports of discrimination, including harassment, made by employees and external stakeholders through the whistleblowing system: 43
- Number of human resources-related reports submitted by employees through the whistleblowing system: 80
- Number of complaints filed with the National Contact Points for OECD Multinational Enterprises: 0
- Total amount of fines, penalties and compensation paid as a result of the above reported incidents and complaints: 0
- Number of severe human rights incidents, including legal proceedings, formal complaints submitted through the whistleblowing system in 2024: 0

⁽¹⁾ It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

5.1.3.2 Workers in the value chain (ESRS S2)

5.1.3.2.1 Respect for human rights (ESG topic 10)

With regard to respecting the human rights of value chain workers, the double materiality assessment identified two material negative impacts for Safran related to the “Respect for human rights” ESG topic. The related IROs are set out in the table below.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 10

Respect for human rights

IROs	Description	Type	Time horizon	Policies related to the IRO
Violations of the human rights of value chain workers in the event of failure in the Group’s monitoring processes	Ineffectiveness or non-existence of prevention and control measures leading to the discovery of serious violations of the human rights of value chain workers attributable to the Group or its suppliers and subcontractors.	(I-)	ST	Human Rights policy
Violations of value chain workers’ freedom of association and collective bargaining rights	Failure to respect the rights of value chain workers to freedom of association or to recognize their right to collective bargaining, with particular risk to certain groups of more vulnerable workers and those working in countries where laws on social dialogue do not provide adequate protection.	(I-)	ST	Human Rights policy

⊕ Positive impact; ⊖ Negative impact; ⚠ Risk; 🌟 Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

Human rights policies

[S2.SBM-3] [S2-1] and [S2-2] [S2-1-17] [S2-1 17a] [S2-1 17b] [S2-1 19] [S2-1 22d] [S2-4 AR43]

Safran’s policies and commitments regarding the human rights of value chain workers are integrated into external and internal reference frameworks.

External reference frameworks

When conducting its business, the Group is committed to complying with the United Nations Global Compact and its ten principles relating to human rights, international labor standards, the environment and the fight against corruption. Safran has voluntarily undertaken to promote and uphold these universal principles in its business practices. The Group has developed its Duty of Care Plan within the framework of the OECD guidelines, the fundamental conventions of the International Labour Organization (ILO) and the UN International Bill of Human Rights. In addition, Safran contributes to the UN Sustainable Development Goals (SDGs).

Safran complies with applicable laws and regulations, including the European T3G regulation (also known as the Conflict Minerals Regulation), and US regulations under the Dodd-Frank Act, to ensure that the minerals it uses do not come from conflict zones. Although Safran only buys processed products, it is highly vigilant with regard to the origin of the minerals used in certain purchased products such as tin, tungsten, tantalum and gold. Purchasing volumes including such minerals are low.

One of the commitments Safran made in 2010 when it signed the Sustainable Procurement and Supplier Relations Charter was to integrate environmental and social responsibility topics into its purchasing process. Safran also holds “Sustainable Procurement and Supplier Relations” certification, which was awarded in 2017 and renewed in 2024. This certification is

awarded to French companies that have demonstrated sustainable and balanced relationships with their suppliers, and is aligned with the NF ISO 20400 standard, Sustainable Procurement – Guidance.

Since 2020, Safran has been a signatory to the charter of commitments on customer-supplier relationships within the French aerospace industry through the French Aeronautical and Space Industries Group (GIFAS). The Group is accordingly reinforcing its responsible purchasing approach in the French supply chain and reaffirming its use of mediation.

Internal reference frameworks

Responsible purchasing policy

Safran has formally documented its commitment to responsible purchasing by putting in place a responsible purchasing policy, available on the Group’s website, Ethical Guidelines, a Code of Conduct for the prevention and detection of corruption, and a set of procedures governing its procurement process.

Safran upholds an ethics policy consisting of the Ethical Guidelines, the code of conduct for the prevention and detection of acts of corruption and the anti-fraud policy. The Ethical Guidelines formally set out the shared, guiding values and principles of the Group. They form the basis of the body of policies, guidelines, procedures, standards, codes of conduct and internal guides adopted by the Group in the areas of ethics and good conduct. In these guidelines, Safran confirms its adherence to a number of fundamental principles, such as compliance with laws and regulations, including its duty of care, and respect for individual freedoms and human rights. The Guidelines also demonstrate how Safran is closely attentive to the ethical conduct of its stakeholders, especially its suppliers. Under no circumstances will Safran use suppliers that breach human rights and fundamental freedoms, in particular by using child labor or forced labor.

Safran's commitments are set out in the Global CSR Framework Agreement signed in 2024 (see section 5.1.1.3.1), which covers the entire scope of the Group's activities worldwide and applies to all employees, including relationships with suppliers.

This framework agreement specifies that in the event of a breach of human rights principles, or of any of the fundamental ILO conventions, fundamental labor standards or health and safety rules by a supplier or subcontractor, Safran will give the company concerned formal notice to remedy, and if the breach is not subsequently remedied, measures will be taken that could lead to the termination of contractual relations with the company. Safran's Responsible Purchasing Guidelines incorporate the supplier and subcontractor undertakings contained in the Global CSR Framework Agreement.

Human Rights Policy

Since 2024, in addition to its Responsible Purchasing policy, Safran has had an "umbrella" Human Rights policy that covers all the Group's activities worldwide. This policy, signed by the Chief Executive Officer and published on the Group's website, sets out Safran's human rights vigilance principles which are applicable to everyone throughout the Group, including its entire global chain of operations, as well as to other stakeholders potentially impacted by the Group's activities.

With regard to its value chain, Safran's Human Rights policy expressly includes vigilance in relation to:

- prohibition of all forms of forced labor and child labor;
- prohibition of all forms of harassment, violence and discrimination, and protection against intentional and unlawful harm;
- the rights to working and employment conditions that protect health and safety; an adequate wage; and training;
- the rights to freedom of association and collective bargaining;
- respect for privacy and personal data.

Through this policy, Safran and its employees undertake to:

- respect ethical values and behaviors and integrate them into the corporate culture; ensure compliance with the Group's internal policies; and monitor the effectiveness of associated progress plans;
- analyze risk-exposed situations, take action on the underlying causes and remediate consequences when necessary;
- recognize and reward positive contributions to risk prevention and encourage a learning culture;
- promote and ensure compliance with ethics commitments throughout the Group's chain of operations, including in relation to suppliers, service providers, subcontractors and distributors;
- report and manage any breaches of ethics rules, support those involved and protect whistleblowers.

Responsible purchasing guidelines

Safran's responsible purchasing guidelines are based on nine fundamental principles, including promoting and respecting human rights. The aim of these guidelines – which are available on Safran's website – is to obtain suppliers' commitment and involvement in complying with the Group's requirements in terms of health, safety and the environment (HSE), human rights and anti-corruption measures. Safran is committed to working with suppliers that: (i) are ethical, act with integrity and comply with the applicable laws and regulations; and (ii) effectively manage their social and environmental risks, as well as those of their own supply chains.

The Group's responsible purchasing guidelines contain two fundamental principles regarding human rights which Safran requires its suppliers to comply with and to ensure compliance by their own suppliers and subcontractors:

- promoting and respecting human rights (i.e., no child labor or human trafficking, including forced or bonded labor);
- developing human potential (i.e., no harassment or discrimination, decent working hours, adequate wages and benefits, and effective social dialogue).

The Guidelines incorporate the terms of the IFBEC Supplier Model Code of Conduct. If the principles of the responsible purchasing guidelines are not respected and no corrective action is subsequently taken, Safran could impose a range of measures, including, as a last resort, terminating the business relationship with the supplier concerned.

Measures to provide and/or enable remedy for human rights impacts

[S2-117c]

Three types of measures to provide and/or enable remedy for human rights impacts:

1. A system for reporting unethical behavior

Any breaches of human rights can be identified and dealt with via Safran's whistleblowing system, which meets the requirements of France's duty of care law, including in relation to human rights. Safran has set up various channels for reporting fraud or unethical behavior. One of these is a secure, multilingual whistleblowing system at Group level, accessible to all stakeholders (employees, customers, suppliers, etc.) to allow whistleblowing reports to be made confidentially⁽¹⁾. Whistleblowers can use this address to file, anonymously or otherwise, any report, made in good faith, of a breach of the principles enshrined in the Group's Ethical Guidelines.

This framework ensures that reports of human rights breaches are dealt with ethically and transparently within all Group entities (see details in section 5.1.4.3.2).

⁽¹⁾ It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

2. A new ESG rating tool for suppliers

In order to continuously improve sustainability across its upstream value chain, in March 2024, Safran chose EcoVadis to assess the CSR practices of its suppliers.

The EcoVadis IQ module provides tailored risk classification of each supplier in the supply base, giving an overall final rating per supplier and separate ratings for each of the following topics: environment, social and human rights, ethics and sustainable purchasing, and the effectiveness with which the supplier integrates the risks inherent to the business sector and country concerned. Also, through the EcoVadis platform, the Group can access ESG data about the company in question.

If Safran classifies a supplier as “at-risk”, it requests EcoVadis provide an ESG rating for that supplier. Each rating reflects the supplier’s ESG performance. If a supplier is non-compliant in terms of ESG performance, a request is made for a corrective action plan to be put in place in order to remedy or eliminate an identified problem that could potentially concern human rights.

In its methodology, EcoVadis takes into account the observations of a “360° Watch”, which include relevant publicly available information about a company’s ESG practices, identified via over 100,000 data sources (including NGOs, the press and trade unions).

3. Actions with respect to suppliers

In the event of non-compliance with the principles of the responsible purchasing guidelines, which a number of its suppliers have signed, Safran may apply a range of measures to the supplier concerned, including removing the company from the Group’s approved supplier list or, as a last resort, terminating business relations completely.

[S2-1-18] [S2-SBM-3-11b]

Safran’s “umbrella” Human Rights policy, described above – which applies to all employees in all Group subsidiaries and in all countries – expressly includes vigilance related to the prohibition of forced labor and child labor. The Group’s Duty of Care system – which is overseen by the Group Ethics and Compliance Department and includes a duty of vigilance regarding respect for human rights – encompasses the strict prohibition of forced labor and child labor, both in the Group’s own operations and in its value chain. The risks related to these forms of work are included in the risk repository underlying the duty of care risk map, as required by the relevant law and the Duty of Care system.

The Group’s responsible purchasing guidelines also contain strict prohibitions on human trafficking, forced or compulsory labor and child labor. Safran requires its suppliers to respect these prohibitions and to require their own suppliers and subcontractors to do so as well. The responsible purchasing guidelines explicitly state that the supplier undertakes to “promote and respect human rights (i.e., no child labor or human trafficking, including forced or bonded labor). In addition, the contractual clauses in Safran’s framework agreements and general purchasing conditions require suppliers to be compliant with their local employment laws and regulations.

Engagement with value chain workers

[S2-2 22a] [S2-2 22b] [S2-2 23] [S2-2 22c]

Safran indirectly engages with value chain workers through:

- its proactive involvement in trade associations and groups that represent the aerospace and defense industries, such as GIFAS in France and IAEG internationally. These organizations bring together companies that, in some cases, are Safran tier-one suppliers;
- dialogue with trade unions, where human rights topics are addressed, in particular via the Global CSR Framework Agreement (see section 5.1.1.3.1);
- its participation in satisfaction surveys on the quality of its supplier relations, as well as in business-to-business forums;
- regular meetings between Safran’s purchasing teams and supplier representatives, as well as visits to supplier sites;
- the Safran Supplier Day. The third edition of this meet-up between Safran and its suppliers took place on June 6, 2024.

Certain discussions with suppliers may lead the Group to take specific steps, such as requesting EcoVadis to rate a particular supplier, requesting corrective action plans, or removing the supplier from the approved supplier list.

[S2-2 22e] [S2-2 24]

A process of direct dialogue with value chain workers is currently being considered, notably through questionnaires or audits at supplier sites.

Actions

[S2-3] [S2-4] [S2-3 27a] [S2-3 27b AR22]

Any breaches of human rights can be identified and dealt with via Safran’s whistleblowing system, which meets the requirements of France’s duty of care law, including in relation to human rights. Whistleblowers can use the Group’s secure and anonymous whistleblowing system to report any incidents (see below and section 5.1.4.3.2 for further details).

This system ensures that reports on human rights breaches are dealt with ethically and transparently.

[S2-3-27c] [S2-3 AR23]

The Group is currently considering putting in place additional processes, including providing its suppliers with surveys to carry out among their employees about their sites.

[S2-3-27d AR27]

The system for reporting unethical behavior, which can be activated via the Group’s whistleblowing system⁽¹⁾, is available in all languages (whistleblower’s choice) and allows for anonymous reporting. It is accessible to anyone (internal or casual employees, customers, suppliers, etc.) and guarantees:

- protection of whistleblowers’ identities and the absence of repercussions for whistleblowers reporting cases in good faith;
- traceability and confidentiality of the reports, with full security of the information handled;

(1) It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

- respect of data protection laws and regulations;
- information provided to the whistleblower about how the investigations are progressing, and their outcome;
- a presumption of innocence for the person(s) reported by the whistleblower, and information provided to such person(s) of the allegations made against them so they can prepare their defense;
- clear procedures for collecting, investigating and handling whistleblowing reports;
- precise definition of the conditions for archiving and destroying information once the process has been completed.

This system ensures that whistleblowing reports relating to human rights are handled in an ethical and transparent way within all Group entities.

When a whistleblowing report is made, the actions and measures taken are documented as soon as the report is received and until the file is closed. A tracking file is kept up to date throughout the process. This tracking file and the various supporting documents are stored on a dedicated, secure Safran server.

[S2-3 28] [S2-3 AR27]

An explanatory document entitled "Whistleblowing procedure" for reporting unethical behavior is available on Safran's public website and can therefore be downloaded by value chain workers.

The whistleblowing system⁽¹⁾ is referenced in the Safran responsible purchasing guidelines. In addition, Safran Group website has a supplier area where any supplier can report unethical behavior. The reporting procedures are also available for download in the "A responsible industry" section of the website (see section 5.1.4.3.2).

[S2-4 32a] [S2-4 32b] [S2-4 AR44]

The following all contribute to the management of Safran's Duty of Care Plan:

- additional information from other stakeholders where necessary, and requests for explanations from the supplier concerned;

- specific analysis with the supplier;
- corrective action plans to reduce risks, under the supervision of Safran's lead buyer;
- quarterly reviews with the purchasing departments to oversee the deployment plan, track action plans and make adjustments where necessary, potentially resulting in action to discontinue work with a supplier, or even terminate the business relationship completely;
- a decision by the Group Purchasing Committee, which may decide to terminate the relationship. At each fortnightly meeting of the Group Purchasing Committee, a review of CSR metrics and the duty of care plan takes place, with presentation of metrics and progress in the various actions underway. The members of this Committee include all of the purchasing directors of Safran entities.

[S2-4 32c]

CSR criteria are taken into account when assessing suppliers' bids. The higher a supplier's CSR performance, the higher their assessment score. Any suppliers whose CSR performance is deemed insufficient are asked to put in place a corrective action plan.

[S2-4 32d] [S2-4 33a] [S2-4 33b] [S2-4 33c] [S2-4 35] [S2-4 36] [S2-4 38]

The Group's CSR Purchasing organization is structured around a central team comprising a CSR Purchasing Director and a CSR Purchasing Project Manager. This central team is supported by CSR Purchasing officers in each of the Group's tier-one entities. The CSR Purchasing officers coordinate the CSR approach within each company's purchasing teams.

Targets

[S2-5] [S2-5 41] [S2-5 42a] [S2-5 42b] [S2-5 42c]

Safran tracks how many suppliers have signed its Responsible Purchasing Guidelines, as well as any suppliers who are non-compliant in terms of CSR performance and the corrective action plans put in place.

⁽¹⁾ It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

5.1.3.3 Consumers and end-users (ESRS S4)

5.1.3.3.1 Quality and safety of products and services (ESG topic 8) – Customer relations and customer satisfaction (ESG topic 9)

In application of ESRS S4 under the CSRD, Safran's consumers and end-users mainly correspond to aircraft manufacturers, helicopter manufacturers and airlines. The disclosures related to ESRS S4 in this report are therefore based on those categories of consumers and end-users. Customer confidence and satisfaction are dependent on Safran meeting its commitments to quality and the safety of its products and services.

The double materiality assessment identified two material risks and one material negative impact for Safran related to the "Quality and safety of products and services" ESG topic, as well as one specific material risk related to the "Customer relations and customer satisfaction" topic. The related IROs are set out in the table below.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 8

Quality and safety of products and services

IROs	Description	Type	Time horizon	Policies related to the IRO
Reputational risk associated with the endangerment of the users of the goods and services sold	Damage to the Group's image and loss of stakeholder confidence in the event of perceived or proven risks to the health and safety of the passengers and end-users of Safran products and services. Difficulties in securing financing from banks and other financial institutions in the event of a major incident related to the use of products and services. Downgrading of the Group's non-financial ratings.	R	ST	Quality policy Aviation Safety policy Fair and Equal Culture policy
Financial risk associated with the consequences of mishandling a product safety incident or failure	Criminal or administrative penalties, fines, legal action and litigation in the event of the endangerment of consumers and users of the products and services sold. Business disruption or interruption if sites are ordered to stop, slow down or modify their operations due to major non-compliance with product and service safety and quality regulations.	R	ST	Quality policy Aviation Safety policy Fair and Equal Culture policy
Exposure of users to risks to their safety in the event of product or service failure	Accidents, serious injury or loss of life due to mechanical failure of aerospace or aviation equipment, lack of product maintenance or verification, design/manufacturing defects in the Group's products and services, or non-compliance with aerospace regulations.	I-	ST	Quality policy Aviation Safety policy Fair and Equal Culture policy

ESG topic 9

Customer relations and customer satisfaction

Financial risk associated with the deterioration of customer relationships and investor expectations	Stock market volatility, reduced availability of capital and reduced investor interest due to poor customer relationship management or insufficient measures taken by the Group to ensure customer satisfaction, leading to a loss of confidence among financial stakeholders.	R	ST	Quality policy Aviation Safety policy Fair and Equal Culture policy

+ Positive impact; - Negative impact; R Risk; O Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

Policies

[ESRS 2 MDR-P] [S4-115] [S4-116] [S4-117]

Safran has an ambitious quality policy targeting three main goals:

- safety and reliability of products and services;
- customer satisfaction;
- continuous progress in performance.

This policy, signed by Safran's Chief Executive Officer, applies Group-wide and is relayed at all levels (both internal and external). It is combined with a permanent drive for innovation, continuous improvement and effective risk management.

Implementation of the quality policy is overseen by the Group Quality Department, which reports to the EVP Industrial, Purchasing and Performance, who is a member of the Executive Committee. Actions are carried out within the Group's companies via several different networks (e.g., the quality managers' network, the progress managers' network, the Safety Management System network, etc.).

Another example of our quality procedures is One Safran – a management system designed to enhance customer satisfaction and business performance.

This system is structured around three interlocking components:

- pooled, process-driven management, with each process supported by documentation required for carrying out the related tasks, and performance tracking;
- operational excellence based on best practices shared throughout the Group;
- a shared performance culture.

Safran strictly complies with the regulations and standards applicable to its aerospace and defense activities, which set the quality, reliability and safety imperatives for the Group's products and services.

These regulations and standards apply throughout the life of the products, from design through to manufacture, operation and maintenance.

For example, for civilian aircraft, Safran complies with the regulations issued by the International Civil Aviation Organization (ICAO) and transposed into European regulations by the European Aviation Safety Agency (EASA), which delivers Design (*Part 21J*), Production (*Part 21F or G*) and Maintenance (*Part 145*) Organization approvals. In France, production approvals are overseen by OSAC (France's civil aviation security agency), acting under the delegation of powers granted by the French Civil Aviation Authority (DGAC). Similar rules and approvals are applied by other authorities such as the Federal Aviation Administration (FAA) in the United States, the Civil Aviation Administration in the People's Republic of China (CAAC) and the Civil Aviation Authority (CAA) for the United Kingdom. Bilateral agreements exist between the different authorities to coordinate their efforts.

Safran's entities have been awarded certifications in recognition of their compliance with aerospace industry quality standards: AS/EN 9100 (New production), AS/EN 9110 (Repair), and AS/EN 9120 (Distribution). Certifications are managed on the IAQG⁽¹⁾ public database (OASIS)⁽²⁾, so that certification status is accessible to all order givers.

In compliance with the regulations, Safran operates a Safety Management System (SMS) to preemptively identify risks liable to jeopardize the safety of its products, and to take remedial action, before they can have a negative impact on its customers or business. As part of our continuous improvement drive, a Fair and Equal Culture policy was issued towards the end of 2024 and is currently being put in place. The underlying aim of this policy is to ensure fair treatment, mutual respect and transparent communication in all facets of Safran's organization. These principles are essential for creating a strong, collaborative culture that fosters a safe and healthy working environment for our people, while contributing to aviation safety and the quality of our products and services.

The requirements that Safran expects from its suppliers are laid down in its general purchasing conditions and in the general quality requirements set out in a document called SAFE ("SAfran exigences"). SAFE includes international quality standards to further standardization throughout the aerospace supply chain. It expresses Advanced Product Quality Planning (APQP) requirements, specifies rules on prevention and remediation of quality deviations, and ensures suppliers' personnel are familiar with Safran's ethics whistleblowing system⁽³⁾. SAFE also includes Safran's responsible purchasing guidelines.

Additionally, Safran is involved in the international aerospace organizations responsible for developing regulations, norms and standards in the field of Quality (ISO, IAQG, AESQ, Nadcap) with a view to actively contributing to future developments.

In parallel, the One Safran approach includes methodologies designed to improve performance and enhance customer satisfaction. Safran is based on a solid network with centralized organization, and deployed within all of the Group's entities. This network facilitates the implementation of improvement initiatives, either created by the Group and applicable to all of its companies, or created by the companies themselves initially for their own internal use, then standing as best practices for broader take-up elsewhere in the Group. These initiatives may involve either continuous improvement or disruptive projects put forward and coordinated by the Group.

Actions

[ESRS 2 MDR-A] [S4-4 30]

For example, to ensure robust product design, the Develop process has strengthened the organization and management of the development preparation, systems architecture and product industrialization activities. It also includes the requirements of the aerospace industry's authoritative AS/EN 9145 Advanced Product Quality Planning standard.

To support the sustainability of the production plan, the Supply Chain, Purchasing and Quality processes undertake initiatives with suppliers, such as (i) introducing a disciplined selection and approval process with a cross-business supplier selection committee; (ii) regularly assigning supplier quality assurance managers to audit and monitor suppliers; and (iii) supporting and tracking suppliers in implementing progress plans to improve quality and lead-time performance and their development towards operational excellence.

(1) International Aerospace Quality Group.

(2) Online Aerospace Supplier Information System: portal for information on aerospace quality management certifications, auditors and audit results.

(3) It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

Recently, Safran rounded out its range of supporting documentation for certain fundamental topics of its CSR commitment, such as "SMS/Fair and equal culture", "Cyber security" and "Low carbon". Safran is also a key player in Aero Excellence, an organization set up in conjunction with GIFAS to drive operational excellence in the aerospace and defense sector.

All of these actions, combined with regular discussions and meetings, help to ensure a more robust management of risks within the supply chain and nurture trusted relations between Safran, its customers and the regulatory authorities.

Each of the Group's companies runs its own action plans, tailored to its own particular business context, on continually improving product quality and safety. This priority measure applies at all levels, from Group executive management to in-the-field teams.

To ensure One Safran is firmly anchored in Group practices and culture, a One Safran training school is in operation at Safran University, providing everyone with a chance to learn the One Safran standards and use them effectively. The first program, launched in 2021, covers senior management and every Group geography (Europe, the Americas, Asia, Africa and the Middle East). A second program dedicated to line managers was launched in late 2023.

In addition, in response to the major challenge of increasing the Group's workforce in the years ahead, an onboarding program for new hires – called "One Safran Onboarding" – is currently being rolled out.

Safran's vision of quality, shared throughout the Group and enshrined in its objective of "Being our customers' preferred supplier", is achievable via several drivers: (i) the culture of

continuous improvement: Lean Sigma (project management led by Green Belts, Black Belts and Master Black Belts); (ii) collaborative innovation (enabling employees in all sectors to contribute their ideas to enhance their companies' performance); (iii) QRQC (Quick Response Quality Control), a management method based on everyday performance monitoring and rapid, robust problem-solving at appropriate levels of management; and (iv) the networks of quality, progress and profession-specific teams.

Targets

[ESRS 2 MDR-T] [S4-5 41]

Most projects target at least one of the following objectives:

- increase in customer satisfaction;
- operational and economic improvement;
- efficacy of the company's operational processes;
- support from the continuous improvement teams for Safran's major transformation challenges in digital technology, sustainability and corporate social responsibility;
- development of employees' skills and understanding.

The managers of the companies concerned report regularly on Safran+ progress to Group Executive Management at annual field reviews.

Metrics

[ESRS MDR-M]

Maintaining regulatory approvals, by obtaining and renewing the accreditations and certifications required for its activities is a key way in which Safran can ensure its compliance with the aviation industry's strict quality and safety standards, and at the same time enhance customers' satisfaction.

5.1.4 Governance (ESRS G1)

5.1.4.1 Roles of the administrative and management bodies

[ESRS 2 GOV-1] [G1.GOV-1 5a] [G1.GOV-1 5b]

The Board of Directors approves Safran's overall business strategy set and proposed to it by the executive management teams and oversees its implementation, in accordance with the Company's best interests and taking into account the social and environmental aspects of its activities. Subject to the powers directly vested in Shareholders' Meetings, the Board is responsible for dealing with all matters concerning the efficient running of the Company and for making all related decisions, within the scope of the Company's corporate purpose.

The roles and responsibilities of the Board of Directors are set out in section 2.1.4 of this Universal Registration Document.

The Directors have a wide range of experience in different business sectors and expertise in varied fields, meaning that the Board is well equipped to deal with the challenges Safran faces in terms of both strategy and performance.

The expertise of each Director is described in detail in section 2.2.2 of this Universal Registration Document.

5.1.4.2 Resilience and ESG performance of the supply chain (ESG topic 12)

5.1.4.2.1 Description of the processes to identify and assess material impacts, risks and opportunities

[ESRS 2 IRO-1]

Safran aims to work with dependable high-performance suppliers that meet its objectives of operational excellence and competitiveness, and to strengthen responsible practices and capacity for innovation across its production chain. This is why the topic “Resilience and ESG performance of the supply chain”

has been identified. The double materiality assessment identified three risks and one positive impact for Safran under this topic (see list of IROs below).

See section 5.1.1.4 for details on the IRO identification process.

LIST OF MATERIAL IROS IDENTIFIED

ESG topic 12

Resilience and ESG performance of the supply chain

IROs	Description	Type	Time horizon	Policies related to the IRO
Financial risk associated with non-compliance with applicable regulations or poor ESG practices (particularly in terms of quality and safety) by suppliers and/or subcontractors	Fines, litigation or legal action in the event of failure by the Group to comply with its supply chain responsibility obligations, as well as additional costs related to compliance with supply chain responsibility laws.	 R	ST	Responsible purchasing policy
Reputational risk associated with non-compliance with regulations or poor ESG practices by suppliers and/or subcontractors	Damage to the company’s reputation in the event of illegal labor practices or adverse environmental impacts within the value chain, potentially undermining customer and investor confidence and limiting access to certain types of tenders and public contracts, which could have a negative impact on its long-term financial performance. Corrective measures and communication actions would be required to rebuild trust and restore the company’s image, which could result in additional expenses.	 R	ST	Responsible purchasing policy
Improvement of the social and environmental performance of the value chain	Ability of the Group to engage the value chain through the sharing of best practices, stricter regulations, and better supplier and subcontractor selection. Its critical mass can enable the Group to drive sector-wide improvements in working conditions, occupational health and safety, and the energy and environmental performance of products and services.	 I+	MT	Responsible purchasing policy
Deterioration of performance due to poor supplier resilience resulting from insufficient partnership with the Group	Inadequate preparation of suppliers to meet the Group’s needs, delaying transformation efforts and potentially requiring emergency resourcing to make up for the shortfall, at a very high cost for the Group. High levels of supplier financing and insufficient supply chain security to respond in times of crisis and during ramp-up periods.	 R	ST	Responsible purchasing policy

 Positive impact;  Negative impact;  Risk;  Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

5.1.4.2.2 Supply chain CSR performance policies

[ESRS 2 MDR-P 65a] [ESRS 2 MDR-P 65b] [ESRS 2 MDR-P 65c] [ESRS 2 MDR-P 65d] [ESRS 2 MDR-P 65e] [ESRS 2 MDR-P-65f] [G1-2 12]

Safran's responsible purchasing policy, signed by the Chief Executive Officer, addresses the Group's objectives of operational excellence and competitiveness, while strengthening responsible practices and innovation capacity throughout the production chain. It is consistent with the Group's industrial policy and complies with the Group's Ethical Guidelines and CSR strategy. Safran's responsible purchasing guidelines, coupled with consistent support for suppliers on topics such as decarbonization, contribute to effectively conveying the Group's CSR commitments (see section 5.2 on support for suppliers on decarbonization).

Under its responsible purchasing policy, Safran commits to working with suppliers who (i) are ethical, act with integrity and comply with the applicable laws and regulations; (ii) effectively manage their own social and environmental risks, as well as those of their own supply chains; (iii) are committed to a greenhouse gas emissions reduction trajectory consistent with the Paris Agreement level; (iv) are implementing a digitalization and innovation approach; (v) support Safran in its competitiveness and operational excellence objectives.

A Group Purchasing Committee (GPC) comprising all purchasing directors oversees effective application of the Group's responsible purchasing policy, steered by the Group Purchasing Performance Department (GPPD) and implemented by Group entities. Subsidiaries' purchasing departments apply the Group's responsible purchasing policy consistent with the specificities of their particular markets.

The purchasing departments are the main intermediaries through which Safran extends its CSR commitments to its some 14,000 significant suppliers. The Group Purchasing Performance Department coordinates all relevant actions, conducted either by the central Non-Production Purchasing Department or by the purchasing departments of tier-one entities in charge of production purchasing.

In 2024, total purchases amounted to more than €15.6 billion⁽¹⁾, or nearly 57% of Group revenue. Nearly 45% of the purchase volume⁽²⁾ was sourced from suppliers based in France, reflecting its industrial footprint, and close to 82% of the volume made in France was from French micro-businesses, SMEs and intermediate-sized enterprises.

In 2023, responsible purchasing governance was strengthened with the appointment of a CSR Purchasing Director and Deputy Director, followed in 2024 by the structuring and coordination of a network of CSR purchasing liaison officers within tier-one entities. The GPC reviews CSR results on a quarterly basis (covering the responsible purchasing guidelines, duty of care and metrics).

The responsible purchasing policy involves constant collaboration with and between Group companies: all Group buyers apply the purchasing process set out in One Safran; there are internal progress plans and a training program; and the Procure to Pay (P2P) system ensures that suppliers and subcontractors are paid on time.

Safran has also set out its commitments in its internal procedures:

- GRP-0245 - Management of supplier relations, in Article 6.1 - Compliance with legislation (French Economy Modernization Law and local legislation): "Safran complies with legal requirements on supplier invoice payment deadlines. Invoices are honored in accordance with contractual terms and within the deadlines specified under the legislation applicable to each of the Group's companies";
- Safran Ethical Guidelines, in the section titled Upholding laws and regulations: "In all the countries where the Group operates, all employees must observe and act in compliance with the applicable international, federal, national and local laws and regulations."

Duty of care risk assessment process

[G1-2 15]

Responsible purchasing is part of our duty of care (see section 5.1.3.2.1).

The gradual implementation of the EcoVadis solution, selected and subject to a contract in 2024, will facilitate the mapping of supplier risks. This will now be done using the EcoVadis IQ module, complemented by an internal analysis aimed at identifying suppliers that implement specific processes with Chrome VI.

The EcoVadis methodology is backed by international CSR standards such as the principles of the United Nations Global Compact, International Labor Organization (ILO) conventions, Global Reporting Initiative (GRI) standards, ISO 26 0004, CERES principles, and the UN Guiding Principles on Business and Human Rights, also known as the Ruggie Framework.

The EcoVadis solution provides access to two main functions:

- assessment of each supplier's CSR risk level on the basis of geographical location and sector of activity (IQ module);
- specific CSR rating for each supplier (Ratings module).

CSR ratings are requested from EcoVadis for all suppliers found with "high" and "very high" risk levels using the EcoVadis IQ solution under the duty of care procedure. EcoVadis is the solution adopted by the IAEG (International Aerospace Environmental Group). Through this sector-based approach, suppliers can share their CSR performance with IAEG members who request it, thus reducing the administrative workload.

With implementation of the EcoVadis solution, Safran has updated some parts of its purchasing process as regards supplier CSR risk management (risk mapping, mitigation and prevention actions, whistleblowing systems, monitoring systems).

Financial risk is also monitored by Purchasing, with regular analysis of the probability of supplier financial default and the risk of a change in supplier ownership. The Group Purchasing Department monitors financially vulnerable suppliers by analyzing data from external databases. The risk of supplier economic dependency is also factored in.

(1) The purchasing metrics are based on purchases managed by Safran, i.e., €13.3 billion, and not on all of the Group's purchases, which also include purchases related to administration and partners.

(2) This purchase volume corresponds to the volume managed by the purchasing organization; it excludes purchases related to partners and public authorities.

5.1.4.2.3 Actions

[ESRS 2 MDR-A 68a] [ESRS 2 MDR-A 68b] [ESRS 2 MDR-A 68c]

Quality supplier relationships

[G1-2 15a]



Safran has been a signatory to the Sustainable Procurement and Supplier Relations Charter of the French Ministry of the Economy, Finance and Industry since 2010, obtaining the corresponding official label in 2017, plus a further three-year renewal in 2024. The label is awarded by the French Business Mediation Service and the National Procurement Council and recognizes companies demonstrating sustainable and balanced relationships with their suppliers. It certifies that Safran's organization and management actions offer credible assurance of compliance with the objectives and commitments set out in the label's guidelines. This is backed up by ISO 20400 Sustainable procurement – Guidance. Safran has accordingly appointed an internal mediator to liaise with suppliers and Safran companies.

This mediator reports to the Industry, Purchasing and Performance Director (DIAP). Its mission involves facilitating dialogue between Safran and the supplier as a neutral intermediary between two parties encountering difficulties in their relationship, with a view to helping them find a solution that avoids definitive breakdown. As well as appearing on the Safran Group website, details on mediation also appear in contracts and General Purchasing Conditions (GPCs).

Actions to include CSR criteria in purchasing

[G1-2 15b]

Supplier tender selection includes the CSR criteria of maturity in the decarbonization approach and commitment to responsible purchasing (signature of the responsible purchasing guidelines or implementation of a CSR program). These criteria are formalized in a Group procedure.

Since joining EcoVadis in 2024, Safran can use the EcoVadis CSR rating directly in this tender process.

In addition to the above actions on integrating the CSR criteria into purchasing, buyers can also be trained on responsible purchasing. This training reached more than 65% of Safran's buyers in 2024, on target for 100% reach over a three-year cycle.

In 2024, Safran suppliers were informed on developments in key matters regarding supply chain transformation, covering requirements on the following topics:

- implementation of APQP (Advanced Product Quality Planning) methodology;
- participation in the EcoVadis ethics and corporate social responsibility assessment program;
- stronger cooperation on operational performance to guarantee customer satisfaction, for which Safran promotes membership of the Aero Excellence program and the implementation of One Safran Baselines (Safran's load/capacity analysis tool);

- the decarbonization trajectory needed to meet the Paris Agreement commitments;
- more stringent cybersecurity requirements in line with the sharp rise in risk;
- application of regulatory requirements (Section 1502 Dodd Frank Act), Regulation (EU) 2017/821 of the European Parliament and of the Council of May 17, 2017, on the declaration of sourcing information regarding conflict minerals.

Conflict minerals

Although Safran buys mainly processed products, the Group is highly vigilant with regard to the origin of the minerals used in certain purchased products such as tin, tungsten, tantalum and gold. Purchasing volumes including such minerals are low. Safran complies with applicable laws and regulations, including the European T3G regulation, in force since January 1, 2021 (also known as the Conflict Minerals Regulation), and US regulations under the Dodd-Frank Act, to ensure that the minerals it uses do not come from conflict zones.

Safran requires its suppliers to commit to its responsible purchasing guidelines, which demand compliance with applicable laws and regulations regarding the sourcing of minerals. It requires them to establish a policy allowing them to reasonably guarantee that minerals purchases do not serve to fund, directly or indirectly, armed groups whose activities are contrary to human rights. They must also exercise due diligence in choosing the source and ensuring the traceability of minerals, and in turn impose the same requirements on their suppliers.

In addition, Safran identifies any suppliers that may use such minerals, and vets their commitments and internal policies by means of a three-yearly campaign using the Responsible Minerals Initiative's Conflict Mineral Reporting Template (CMRT).

Support for suppliers and the aviation, defense and space industry

[G1-2 14] [G1-2 15]

Against the backdrop of tense geopolitical situations, inflation and commodity supply difficulties, Safran remains highly attentive to its suppliers, with aerospace industry support funds, and specific units tasked with monitoring and supporting suppliers in difficulty.

Industry-specific investment funds

Since 2004, Safran has been a regular investor in successive Aerofunds which have been designed to support the capital investment needs of companies in the aerospace and defense sector.

At the height of the Covid-19 crisis, Safran invested €58 million in the Ace Aéro Partenaires (AAP) fund managed by Tikehau Ace Management. This fourth Aerofund has had a significant impact on safeguarding French SMEs and intermediate-sized enterprises, supporting some 40 of them through the lull in activity and strengthening the industry.

Overall, Tikehau Ace Aéro Partenaires 1 has supported 14 French companies, 13 of which are directly part of the French Defense Industrial and Technological Base (DITB), over the three years of its operation. More than €670 million has been deployed. On the strength of this success, Safran has signed a €45 million contribution to a new fund, Tikehau Ace Aéro Partenaires 2 (AAP2), which aims to raise a total of €800 million (€425 million already raised). The AAP2 fund has been operational since the last quarter of 2024.

Watch Tower and Task Force to detect and support suppliers in crisis

Since the onset of the pandemic, Safran has closely monitored the situation of its subcontractors.

Against a backdrop of successive crises (pandemic, geopolitical, etc.), Safran's Supplier Watch Tower, set up in 2020, has continued to operate in close collaboration with all industry players.

Its purpose is to:

- identify the suppliers most at risk, with a potential impact on the Group's businesses;
- establish a dialogue with those suppliers in order to understand the impact of the crises on them and their ability to sustain their business;
- examine alongside the suppliers possible local government aid;
- direct them towards longer-term and structural solutions such as backing from other industry players and investment funds in cases where standard measures are insufficient.

This approach is carried out in coordination with the public bodies that can offer aid, as well as with other contractors (Airbus, Dassault Aviation, Thales) within the framework of GIFAS when the supplier is shared, and can result in proposals for consolidation with the Ace Aéro Partenaires fund managed by Tikehau Capital. 34 companies are currently monitored by the Safran Supplier Watch Tower.

Closer links with suppliers in the sector

Safran sits on the board of the International Aerospace Environmental Group (IAEG), which develops solutions across the whole of the value chain to promote a responsible and sustainable aerospace industry. IAEG conducts continuous monitoring to identify and tackle emerging issues affecting the industry, including those that concern fresh CSR obligations (contractual, legal/regulatory) or risk management. Safran and other IAEG members run a working group tasked with upholding an effective voluntary CSR industry framework dealing with the CSR assessment standard, validation of risk-based assessment results and a supply base engagement model. One outcome of this work was to select the EcoVadis solution for CSR risk and supplier evaluation.

Since 2010, Safran has been a member of the Pacte PME association and sits on its Board, in a commitment to strengthening ties between SMEs and major accounts, to supporting the development of French SMEs, and particularly to helping innovative companies get off the ground and grow. Through Pacte PME, Safran contributes to the Destination ETI program designed to help SMEs modernize. At the end of 2023, a new Pacte PME survey, entitled "*Baromètre Pacte PME 2023*", was launched, focusing in particular on the various dimensions

of the relationship between Safran and French SMEs. The results of the survey, published in 2024, identify the strengths of major account/SME relationships (involvement in supplier development, support for SME innovation, sharing of CSR approaches), specific SME expectations, and tools and avenues for improvement.

In 2024, Safran joined the Decarbonization Alliance launched in 2023 by Pacte PME. The Alliance's objectives are to: (i) help SMEs shrink their carbon footprint, improve competitive performance and reduce energy dependency; (ii) support major accounts that have made public commitments to decarbonization in their actions to support their suppliers and partners, with an emphasis on SMEs; (iii) top up support from public schemes to accelerate the decarbonization of France's 33,000 industrial SMEs.

Since 2019, Safran has also been a signatory to a bilateral agreement with the French Ministry of the Armed Forces (MINARM) as part of the SME Action Plan. This plan aims to improve SMEs' access to defense procurement contracts, establish a balanced partnership with SMEs, support SMEs in their international expansion, thereby consolidating the Defense Industrial and Technological Base (DITB) and preserving France's sovereignty. In 2024, the agreement was renewed for a further three-year period and the scope was widened to cover more of the DITB, including startups and ETIs.

Having made a significant contribution to defining and implementing an international framework for operational excellence aimed at the entire aerospace and defense industry, Safran played a leading role in its operational rollout in the French supply chain in 2024. The Aero Excellence framework brings together the best practices and standards in industrial performance to help players in the sector face future challenges and boost their competitiveness. It covers three themes - operational excellence, environment, and cyber security - across all operational activities from industrialization to repair activities. It allows companies to self-diagnose their level of maturity (bronze, silver or gold) in relation to industry best practices and to have it validated by qualified experts, and then commit to a continuous improvement process.

In 2024, Safran contributed to the creation of "Aero Excellence International", spearheaded by GIFAS, with the signing of the bylaws for an association that will bring together France, Germany and the United Kingdom from its creation in early 2025, and of which the purpose is to deploy this standard throughout the global Aerospace and Defense industry, gradually bringing together all the countries involved to increase competitiveness and industrial maturity.

The Group is a founding member of Space, a body dedicated to improving the performance of French SMEs in the aerospace industry. Safran plays an active role each year by sharing its proven methodologies and assisting in the implementation of new systems for SMEs. By becoming the French operator of Aero Excellence, Space is taking on a new dimension, supported by Safran, which is providing both industrial expertise to maintain the quality of the framework at the highest level, and experienced assessors on secondment to deliver reports containing recommendations for increasing the maturity of the industrial sites assessed.

Safran is committed to deploying best practices in cyber protection for all its suppliers, with an Aircyber system or equivalent, of which the Bronze level is the first step in limiting the risk of supply chain vulnerability.

5.1.4.2.4 Targets

Supplier commitment is measured by tracking purchases from suppliers that have signed the Safran responsible purchasing guidelines.

Compliance is considered equivalent if the supplier meets Safran's CSR requirements compliance matrix, if it has signed equivalent guidelines with one of the other major G1FAS contractors (Airbus, Dassault, Thales), if it has signed the Sustainable Procurement and Supplier Relations guidelines of the French Business Mediation Service or of the IFBEC, if it has

obtained the Responsible Supplier Relations and Purchasing label, or if it has obtained an EcoVadis CSR rating considered compliant by Safran.

Suppliers are also asked to address this topic in their contracts. Sustainability-related contractual clauses are included in contractual models, including those for framework agreements: compliance with labor regulations, compliance of sourcing with regulations and standards (including conflict minerals), ethics.

5.1.4.2.5 Actions, resources and metrics for compliance with payment terms

[G1-2] [MDR-P-62] [G1-2-14] [G1-2-15a] [G1-2-15b]

Safran supports the financial strength of its suppliers through responsible payment practices.

The Group's policy on supplier payment terms is to comply with the payment terms stipulated in contracts and regulations where applicable. Except in special cases, the Group also respects the maximum payment term of 60 days (or equivalent) from the invoice date or 45 days from the end of the month, in accordance with the rules of the French General Directorate of Competition, Consumption and the Fight against Fraud (DGCCRF) applicable to sales and service contracts.

Safran pays particular attention to its most financially vulnerable suppliers (especially SMEs), granting them shorter lead times.

Safran's five Shared Services Centers (SSCs) worldwide cover the majority of supplier invoice flows and seek to optimize processing. These SSCs are located in France (Safran Finance Services "SFS"), Great Britain, Morocco, Mexico and China.

Safran has also set up a Procure To Pay (P2P) organization, one of whose primary objectives is to meet supplier payment terms. The guarantor of the P2P approach at Group level is the GPPD, which steers relations with suppliers. A central team coordinates a network of company referents, issues dashboards for appropriate performance monitoring, and pilots and structures cross-functional progress plans. A Group-level steering committee meets quarterly.

Annual targets are set for the P2P network on metrics of compliance with supplier payment terms. The results obtained across the CSP SFS are reported on a weekly basis.

Payment practices

[G1-6]

The Group has rolled out the following initiatives in France and Belgium to minimize late payments and facilitate supplier relations:

- Continuous training and awareness-raising:

Safran runs regular training sessions on best practices in accounts payable management. Internal personnel such as purchase requisition writers, procurement planners and

purchasers are trained in the Procure To Pay (P2P) process and its various tools. Regular in-house communication and awareness-raising campaigns promote ethical and responsible supplier relations;

- Performance monitoring and analysis, and action plans:

Safran has set up specific key performance indicators (KPIs) on invoice processing and payment times. Monthly reports with performance monitoring and analysis are circulated internally. Safran also conducts regular analysis of the underlying causes of late payment. Based on this data, progress plans are drawn up to improve performance;

- Digitization and process automation:

Safran continues to invest in automating and digitizing the process to make it more robust and efficient. Safran actively encourages its suppliers to switch to electronic invoicing, for greater transmission reliability and optimized processing times. Safran has also installed robot software to automate certain stages of the processing process;

- Litigation management:

Safran has set up a clear and efficient dispute management process, with notifications sent automatically to the various internal players for rapid resolution. Individual or collective reminders are issued in the event of late processing. Safran also notifies its suppliers in the event of rejection of invoices sent in digital format. Suppliers are informed of the rejection, with details of the reason. Suppliers are also notified of anomalies regarding invoices received after their due date;

- Supplier portal and weekly account statement:

Questions on payment status can be addressed to a specific CRM portal: Safran Finance Services Supplier Helpdesk. Information on helpdesk access is systematically included in orders issued to suppliers. Safran has also adopted a transparency policy that includes proactive weekly communication on supplier account statements. This helps ensure clarity and rapid identification of potential problems.

Metrics

- **[G1-6 33a]** Average time taken to pay invoices (in days): 54 days;
- **[G1-6-33b]** % of payments aligned with these standard payment terms: 83.6%.

Methodology for calculating payment terms**[G1-6 33b AR16 and AR17] [G1-6 33d]**

The 2024 scope for calculating the standard payment terms and percentage of payments aligned with these terms corresponds to all the Safran Finance Services (SFS) Shared Services Centers (SSC), which manage supplier accounting in France for the great majority of Safran entities, and account for 85% of Safran's supplier invoices and 87.2% of trade payables.

The method used for the above metrics is as follows:

- calculation of compliance with supplier payment terms: this involves comparing the due date calculated by Safran with the actual payment date for all invoices paid. The due date calculated by Safran is equal to the invoice date plus the payment condition indicated on the order. The calculation scope includes invoices that have fallen due and invoices with a dispute under supplier responsibility that have been paid late;
- calculation of standard payment term: average difference between invoice date and payment date for all paid invoices.

THE NUMBER OF LEGAL PROCEEDINGS CURRENTLY OUTSTANDING FOR LATE PAYMENTS**[G1-6 33c]**

	2024
Number of legal proceedings in progress	0

5.1.4.3 Regulatory compliance and business ethics (ESG topic 13)**5.1.4.3.1 Description of the processes to identify and assess material impacts, risks and opportunities****[ESRS 2 IRO-1]**

In line with its belief that responsible business management helps to improve the Group's competitiveness and employer appeal, Safran ensures that its activities are conducted with honesty, integrity and professionalism consistent with the highest international standards of business ethics, as promoted by the International Forum of Business Ethical Conduct (IFBEC), which includes the world's major international aerospace and defense companies.

This is the rationale behind the topic of regulatory compliance and business ethics. The double materiality assessment identified one risk and one negative impact for Safran under this topic (see list of IROs below).

See section 5.1.1.4 for details on the IRO identification process.

ESG topic 13**Regulatory compliance and business ethics**

IROs	Description	Type	Time horizon	Policies related to the IRO
Financial and operational risks arising from unethical practices, corruption or non-compliance with regulations	Criminal and administrative penalties, fines and litigation in the event of failure to comply with applicable regulations, additional costs to ensure compliance with applicable regulations, or due to non-compliance with applicable national regulations, as well as business disruption or interruption if sites are ordered to halt, slow down or modify their operations due to major regulatory non-compliance, including the need for investigations or audits, or the indictment of key managers.	Ⓡ	ST	Ethical Guidelines Code of Conduct for the prevention and detection of acts of corruption
Negative impact on whistleblowers reporting unethical practices in the absence of protection measures	Negative impact in the event of retaliation against whistleblowers who report unethical practices within the Group.	Ⓡ ⁻	ST	Ethical Guidelines

Ⓡ Positive impact; Ⓡ⁻ Negative impact; Ⓡ Risk; Ⓡ Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

5.1.4.3.2 Business conduct and ethics policies

[ESRS 2 MDR-P 65] [G1-1 7]

It is Safran's policy to ensure that all activities are carried out in accordance with the highest standards of honesty, integrity and professionalism. These values are consistent with the high degree of stakeholders' trust in the Group.

Safran applies all international conventions on combating corruption and the anticorruption laws in force in the countries where it does business.

A comprehensive program and strict requirements on the prevention of corruption and influence peddling yield a zero-tolerance policy on active and passive corruption, whether direct or indirect, with regard to public- and private-sector players.

Integrity and ethics are cardinal values for Safran, and all Group managers and employees must comply with laws and regulations concerning the fight against corruption. This is non-negotiable, even if it means losing contracts and revenue.

These values and requirements are reiterated by Safran's CEO in the preamble to Safran's Ethical Guidelines and Code of Conduct.

The Group believes that responsible business management helps preserve its reputation and contributes to the competitiveness and attractiveness of the organization. Safran sees corruption as a serious risk, and addresses it by backing up its anticorruption policy with appropriate governance and processes.

Ethics whistleblowing policy, program and system

[G1-1 10a]

Safran's Chief Executive Officer has made an unequivocal and continuous commitment to ethics in the conduct of Safran's policies and operations as cited in Safran's Ethical Guidelines: *"It is vital for everyone to be involved if we are to keep our commitments. Each and every one of us, regardless of our role in the company, branch, or country, must be irreproachable in how they perform their work. No breaches of ethics will be tolerated either at Safran or any of our partners."*

A policy built on the Ethical Guidelines

Safran's ethics policy is set out in its Ethical Guidelines⁽¹⁾, a baseline for internal policies and rules that specifies a code of conduct for the prevention and detection of acts of corruption. This includes all the requirements of international conventions (such as the United Nations Convention Against Corruption) and national legislations/regulations applicable to Group operations in this field, a charter for the prevention and management of conflicts of interest, an Anti-Fraud Policy, responsible purchasing guidelines, a personal data protection policy and a policy on health, safety and the environment.

Employees are all asked to be fully acquainted with the Ethical Guidelines, to comply with them, and to ensure that others comply with them. The Ethical Guidelines cover:

- adherence to fundamental principles (respect for laws and regulations, duty of care, respect for fundamental freedoms and human rights);

- adoption of appropriate business practices (fairness and integrity, zero tolerance for corruption and discrimination, compliance with import and export regulations, fair competition);
- promotion of honest and stringent management of information (protection and control of information);
- climate impact reduction and environmental protection (taking environmental challenges into account to ensure sustainability, combat global warming and protect the environment);
- providing an attentive ear for stakeholders: shareholders, suppliers, customers, partners and civil society.

The Compliance, Ethics and Anti-Fraud Committee

[G1-3 18b]

The Compliance, Ethics and Anti-Fraud Committee is tasked with supervising employee respect for the general framework governing compliance with the rules laid out in the Ethical Guidelines and any changes in the system. This Committee is chaired by the Group's Corporate Secretary, who is a member of the Group's Executive Committee, but all of the Group's departments remain responsible for ensuring that their teams respect the compliance criteria. Its other permanent members are the Chief Financial Officer, the EVP International and Public Affairs, the EVP Corporate Human and Social Responsibility, the EVP Industrial, Purchasing and Performance, the Chief Sustainability Officer, the Chief Legal Advisor, the Group Ethics and Compliance Officer, the Group Chief Security Officer, the Head of Audit and Internal Control and the Head of Group Internal Control.

The committee ensures the relevance, comprehensive coverage and efficacy of the systems (organization, processes, procedures) used to prevent the risks corresponding to the various event categories, as set out in the Safran "Fraud and unethical behavior" mapping.

It sets out rules on the division of tasks between the players involved in the process of characterizing and investigating instances of fraud or unethical behavior (proven or suspected); it is kept informed of the progress of this process; it validates the options proposed to it by the departments investigating them (call upon external expertise, for example) and gives all necessary instructions to this end. It reviews and approves the conclusions drawn from any investigations and inquiries. It ensures that those in charge of internal investigations strictly respect the rights of those involved (presumption of innocence, protection of secrecy, protection of whistleblowers, etc.).

The whistleblowing process may be audited internally or externally to check its effectiveness.

The committee is responsible for ensuring the supervision and effective control of the implementation of the policy described in this section.

(1) Safran's Ethical Guidelines can be consulted on the [safran-group.com](https://www.safran-group.com) website.

Whistleblowing system

[G1-110e]

The whistleblowing system meets all legal requirements on duty of care and the French Sapin II law. It is described in our Anti-Fraud Policy and Code of Conduct. Employees who suspect that a practice or incident may be illegal or in violation of the Group's rules of business conduct have the right to notify or request guidance from their managers, the Head of Internal Control, the Head of IT Security, the Security Officer, the Head of Human Resources, the Ethics and Compliance Department, the Legal Department, the Finance Department, the Quality Department, the Audit and Internal Control Department, the Compliance, Ethics and Anti-Fraud Committee or the Group's dedicated ethical whistleblowing channel⁽¹⁾. They can use the alert method of their choice.

A Group-wide procedure is in place to collect and handle allegations of unethical behavior or fraud. It describes the conditions under which staff members as well as occasional or external personnel of Group companies can make a report in good faith. It also sets out a number of requirements, including:

- the collection and processing of reports following a step-by-step process, the various stages of which are defined and traced;
- whistleblowers acting in good faith and without direct financial consideration may not be subject to any disciplinary or retaliatory measures. Their identity must be strictly protected;
- whistleblowers are kept informed of the progress of the investigation. At its conclusion, they are informed of the findings;
- all people involved in the report are presumed innocent; their identities are strictly protected;
- the information collected during the investigation of a report is kept confidential and stored in such a way as to preserve the integrity of the information gathered (secure server, restricted access). Personal data is collected and processed in strict compliance with applicable regulations;
- individuals who are the subject of a report are informed in confidence of the allegations against them to enable them to provide any evidence in their defense. They are informed of the conclusions of the investigation when it is complete;
- once a report has been processed, the conditions for archiving and destruction are defined in detail.

At Group level, the Audit and Internal Control Department is responsible for coordinating the data collection and processing system, and ensuring that the process set out above is followed at both Safran SA and Group level. The Audit and Internal Control Department regularly reports to the Compliance, Ethics and Anti-Fraud Committee and to the Audit and Risk Committee of the Board of Directors on fraud and unethical behavior.

Each subsidiary employing more than 50 employees must include this procedure in its internal rules and appoint persons authorized to handle the reports received. These persons must have the skills, authority and resources required to carry out their duties impartially (e.g., Internal Control Officers, in addition to their responsibility for reporting information, as set out below).

In the event of instances or situations detected in one of the Group's companies, the Internal Control Officers must be duly informed, and are responsible for reporting to the Audit and Internal Control Department on any instance or situation involving fraud or attempted fraud, unethical behavior or suspected unethical behavior occurring within their area of responsibility (tier-one entity, subsidiary, etc.). Any such instance is reported by means of an Incident Report Form.

For all cases reported to the Group level, and for all alerts received at this level (in particular via the whistleblowing line), an initial characterization group is set up to analyze the reports received, decide whether they are admissible, and determine and initiate the due diligence to be carried out.

This group, which meets on a weekly basis, is made up of designated representatives from the Audit and Internal Control Department, the Group Legal Department, the Group Ethics and Compliance Department, the Human Resources and Social Responsibility Department and the Group Security Department.

The issues that may be reported are:

- any fraud or attempted fraud;
- any conduct or situation contrary to Safran's Code of Conduct⁽²⁾ for the prevention and detection of acts of corruption;
- more broadly, any serious and manifest violation of applicable laws and regulations, notably those bearing on human rights and fundamental freedoms, including discrimination of any kind, issues relating to health, personal safety and the environment, as well as any violations relating to the duty of care in respect of suppliers or a threat or serious prejudice to general interest.

Among the various channels for reporting fraud or unethical behavior, the Group's whistleblowing system is accessible and available in all languages (choice of the whistleblower) and foresees the possibility of reporting in good faith, anonymously or openly, any breach of the principles enshrined in the Group's Ethical Guidelines. The system can be accessed by all of the Group's payroll employees, as well as by external stakeholders, such as temporary workers, customers and suppliers. The collection of reports is managed by an external and independent third party. Details about the whistleblowing system are available to employees via the Group intranet, and to all suppliers via the Safran responsible purchasing guidelines, and to all other stakeholders via Group's corporate website⁽³⁾. In 2024, internal communication was strengthened through dedicate intranet publications, highlighting the various issues that can be reported.

(1) It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

(2) The Safran Code of Conduct is available on www.safran-group.com.

(3) <https://www.safran-group.com/group/ethic>

In 2024, Safran received 333 reports across all channels (247 from internal sources and 86 from external or unidentifiable sources):

- after their initial characterization, 59 reports were qualified as beyond scope and closed;
- 153 reports concerned HR matters (allegations of inappropriate behavior or behavior non-compliant with Safran rules and values). After analysis and investigation, action was taken in 40 cases (including disciplinary sanctions), 105 cases were closed without action, and 8 are under investigation;
- 114 reports concerned alleged fraudulent behavior: action was taken (including disciplinary sanctions) in 8 cases, 100 cases were closed without action, and 6 are under investigation;
- 7 reports concerned alleged non-compliance with anti-corruption rules: 4 resulted in action.

[G1-110c]

Provided they have acted in good faith, no disciplinary or retaliatory action will be taken against people who report incidents, even if the facts reported turn out to be unfounded after processing or investigation.

Any direct or indirect retaliatory action against a Group employee who has made a report will not be tolerated and may result in disciplinary action against the perpetrator, up to and including termination of the employment contract, in accordance with applicable local law.

Communication on the implementation of policies and procedures

[G1-3 18c]

Regular and appropriate information is issued to members of Safran's Board of Directors, to all members of the Group Executive Committee and to each company's Executive Management.

Regular reviews are carried out and submitted to the Compliance, Ethics and Anti-Fraud Committee and Safran's Audit and Risks Committee. Reports are also regularly submitted to the Group Executive Committee.

[G1-3 20]

Safran's commitment appears on Insite, Safran's intranet, and on the Internet website, in particular through its Ethical Guidelines and Code of Conduct on the prevention and detection of corruption.

Internally, Group GRP procedures are published on the intranet site. Safran's Zero Tolerance for Corruption policy is issued to all Safran personnel via the intranet site.

A whistleblowing communication campaign was launched in December 2023. A video by the Corporate Secretary and articles on various topics were published regularly on Insite throughout 2024.

Webinars on the whistleblowing system have been organized for managers to remind them of the processes and best practices to follow.

Externally:

- the Group's international partners (consultants, lobbyists, service providers, distributors, partners in the context of equity investments or the creation of joint ventures) are informed of our compliance policy before any contracting process with a Group company is initiated;

- contractual documents between Safran and its suppliers refer to or are based on the General Purchasing Conditions (GPCs), which contain a strict ethics clause;
- Safran actively takes part in the fight against corruption, participating in initiatives led by national and international professional bodies such as:
 - the French Aeronautical and Space Industries Group (Groupement des Industries Françaises Aéronautiques et Spatiales – GIFAS),
 - the French employer federation (Mouvement des entreprises de France – Medef),
 - the International Forum of Business Ethical Conduct (IFBEC), and
 - the European Business Ethics Forum.

Business ethics and prevention of corruption risk

[G1-110a]

Safran ensures that its activities are conducted with high standards of honesty, integrity and professionalism that are consistent with the highest international standards of business ethics, promoted by the International Forum of Business Ethical Conduct (IFBEC), which includes the world's major international aerospace and defense companies. The Group believes that responsible business management helps preserve its reputation and contributes to the competitiveness and attractiveness of the organization. Safran sees corruption as a serious risk, and addresses it by backing up its anticorruption policy with robust governance and processes.

In 2012, Safran became the first CAC 40 company to obtain "anticorruption" certification from the French Agency for the Diffusion of Technological Information (ADIT). Its certification was renewed in April 2017 until March 2020. This underscores the major drive in recent years to build a robust anticorruption program aligned with the highest international standards:

- US Foreign Corrupt Practices Act, UK Bribery Act;
- OECD Convention;
- French Sapin II regulations;
- tenth principle of the United Nations Global Compact program.



In 2023, Safran's anticorruption program was certified ISO 37001 in recognition of the quality of its anticorruption management system. Ten companies have been certified: Safran SA, Safran Aerosystems, Safran Electrical & Power, Safran Landing Systems, Safran Seats, Safran Transmission Systems, Safran Aircraft Engines, Safran Electronics & Defense, Safran Helicopter Engines and Safran Cabin. In 2025, two companies, Safran Nacelles and Safran Aero Boosters, will begin the certification process.

Policy of zero tolerance of corruption

Safran's policy for the prevention and detection of corruption risks is based on the principle of "zero tolerance" for any corrupt practice.

Corporate culture and commitment of Executive Management and company CEOs

[G1-19 AR1]

The Board of Directors, its Chairman, the Chief Executive Officer and members of the Group Executive Committee have pledged, for themselves and on behalf of the employees, to be exemplary in their behavior. This is the only way for the Group to secure its sound, sustainable growth and retain the trust of its stakeholders. This commitment involves:

- the monitoring of corruption risk and the anticorruption program by the Board of Directors' Audit and Risk Committee;
- a representation letter on integrity and the fight against corruption, signed each year by the CEOs of all Group entities. CEOs ensure that the letter is also signed by their subsidiaries;
- a half-yearly presentation of anticorruption topics to the Group Executive Committee;
- regular updates of the situation in the various entities with the Chief Executive Officers of each tier-one entity.

Various publications are used for upholding a culture of corruption prevention within the Group, including a weekly business ethics newsletter, specific country regulation reviews, a dedicated intranet, and a fortnightly anticorruption "observatory".

Regular communications are made to raise awareness among all Group employees of the appropriate behavior to adopt when faced with various risk situations (e.g., declaration in the gifts and invitations register).

A robust corruption risk prevention and detection program

[G1-3 18a AR5 and AR6]

Safran's anticorruption program seeks to instill a Group-wide culture of honesty, as laid out in Safran's Ethical Guidelines and code of conduct for the prevention and detection of acts of corruption, and to foster exemplary behavior in this regard by all employees. It integrates all the requirements of international conventions and national regulations applicable to its activities, including the requirements of the French Sapin II law.

It comprises a series of standard operating procedures applied by each subsidiary in accordance with local legislation applicable to its organization, products and markets. It is also proposed to the Group's minority-owned affiliates.

The program is designed both to empower employees and to safeguard corporate assets with a disciplined risk management process based on four pillars:

Anticorruption pillar no. 1 – Leading by example and dedicated organization

The anticorruption commitment is led by the Safran Group's Executive Management and companies.

The anticorruption organization is overseen by the Group Ethics and Compliance Department, which reports to the Group's Corporate Secretary, member of the Executive Committee and Chair of the Compliance, Ethics and Anti-Fraud Committee, who in turn reports to the Chief Executive Officer. A network of Chief Compliance Officers (CCOs) implements the anticorruption program throughout Safran SA, its tier-one entities and operationally-managed subsidiaries. The CCOs work with Compliance Managers or Correspondents (CMs or CCs), appointed in each of their company's subsidiaries or divisions.

Anticorruption pillar no. 2 – Corruption risk maps

Risk mapping is based on appropriate documentation, a methodology common to all companies, a definition of roles and responsibilities of the various players involved, and recommendations on best practices.

[G1-110h]

In compliance with French Sapin II law and the recommendations of the French Anti-Corruption Agency (AFA), Safran has drawn up a methodology for identifying personnel exposed to corruption risks, based on risk mapping set out in the procedure describing the program for preventing and detecting the risk of corruption and influence peddling.

This methodology identifies two particular populations:

- functions in which employees are most exposed, according to the Group analysis;
- functions whose training needs depend on the company's risk map.

According to this methodology, the criteria for determining which departments and processes are most at risk concern the existence of interactions with third parties at risk, particularly for employees in departments carrying out operations considered sensitive.

This approach must be based on the Group Risk Framework. This framework serves as a guide for all Group entities, enabling them to determine risk families. The list is not exhaustive, and the risks identified must reflect the reality of operations.

Anticorruption pillar no. 3 – Risk prevention and detection program

Measures to prevent and detect corruption are set out in the Code of Conduct and in the applicable procedures, including those for assessing third-party integrity, gifts, invitations and other sponsorship expenses, training, the whistleblowing system, and anticorruption accounting controls.

The program for the prevention and detection of corruption risks covers bribery, influence peddling, misappropriation of funds and favoritism. It applies, without exception, to all Group entities and all Group-controlled subsidiaries, in France and worldwide.

The program comprises a procedure setting out the roles and responsibilities of the various players, the methodology for mapping corruption risks, and the program components: prevention, detection, control and disciplinary measures:

- a code of conduct for the prevention and detection of acts of corruption defines and illustrates the various types of behavior that are prohibited because they could be construed as corruption, based on the risks identified in the risk mapping. It is integrated into all the entities' internal rules and welcome packs, and is applicable to all employees;
- a guide to assessing the integrity of third parties sets out the rules to be applied in assessing the various categories of third parties according to criteria common to all Group companies and adapted to the risk level of each third party. All business partners of Group companies are systematically subject to internal and external investigation and validation by the Ethics and Compliance Department. The procedure includes approving, managing and monitoring lobbyists, who must comply with Safran's responsible lobbying guidelines. In 2023, the third-party validation process was digitized and rolled out to all Group companies;
- a guide and reference framework for anticorruption accounting controls set out the methodology for identifying, implementing, reinforcing and formalizing anticorruption accounting controls (first and second level), to ensure that the level of control is appropriate in light of the issues and risks identified;
- the procedures for gifts and hospitality and other sponsorship expenses given to or received from customers, suppliers and other stakeholders, as well as the corporate patronage charter, are designed to avoid any violation of current legislation or any potential conflict of interest. A digitized register of gifts, hospitality and sponsorship expenses is made available to all employees, allowing them to self-declare any benefit offered or received, regardless of its value;
- the charter for the prevention and management of conflicts of interest has been updated to specify that a declaration campaign with a self-assessment questionnaire is launched every year for members of the Safran SA Executive Committee, all employees of the Purchasing and Sales departments of Safran and its subsidiaries, and every three years for all members of the Executive Committee of Safran entities and all direct subordinates of members of the Executive Committee of Safran entities. All employees exposed to the risk of corruption when taking up a new position under the external recruitment and mobility process are also required to complete and sign the declaration.

Anticorruption is also an integral part of procurement practice:

- An ethics and compliance clause is included in Safran's general purchasing and sales conditions.
- Intellectual services to be subcontracted are systematically subject to the written opinion of the Chief Compliance Officer (CCO) of the company concerned.
- Safran's responsible purchasing guidelines include the terms of the IFBEC Supplier Model Code of Conduct.

Information and training program

[G1-1 10g] [G1-3 21a] [G1-3 21b] [G1-3 21c] [G1-4 24b]

Regular and appropriate information is distributed to all members of the Group Executive Committee, the executive management teams of the Group companies and all employees directly or indirectly involved in preventing corruption risk.

International Anticorruption Day is an opportunity to mobilize all members of the Ethics and Compliance network on the fight against corruption.

Training dedicated to the prevention of corruption risk is mandatory for all senior executives, all people in the Group exposed directly or indirectly to the risk of corruption, as well as for new hires among managerial-grade staff or those belonging to the target populations.

Training courses on Safran's anticorruption program are run by Safran's Ethics and Compliance Department, along with Chief Compliance Officers, Compliance Managers and Compliance Correspondents, all internally accredited as trainers. An on-site trade compliance training course has been developed for Group companies worldwide. The training schedule is drawn up on the basis of the risks and needs identified at the start of the year by the Ethics and Compliance Department and the companies' Chief Compliance Officers (CCOs).

These courses are designed to provide all employees concerned by or exposed to corruption risks with adequate knowledge of regulations applicable to their activities plus a full understanding of Group procedures and how to apply them in performing their duties.

Executives and target groups must then update their knowledge every year. A program on corruption risk prevention and detection was reviewed and updated in 2022 for inclusion in online learning systems such as the Massive Open Online Courses (MOOCs). The populations most exposed to corruption risks are now required to follow this program every year, by completing the full MOOC in year 1 and answering a knowledge update questionnaire in years 2, 3 and 4 (Quadrennial). This MOOC consists of a common core plus function-specific workshops. There are 14 business-specific modules and an associated knowledge test. Attendees' knowledge levels are assessed and certification issued for successful scores.

Online training is a prerequisite for in-person training. Training materials in French and English are available for accredited trainers. As with the MOOC, these materials comprise a common core plus function-specific modules, along with an evaluation questionnaire.

The compliance training policy was reviewed in 2022, with a new organization and the pool of people to be trained expanded by more than 35%. By 2024, 97% of people exposed to or affected by corruption, including 100% of senior executives, had received anticorruption training.

In 2024, an anticorruption awareness initiative was offered to all of Safran's Directors.

CONVICTIONS FOR VIOLATION OF ANTI-CORRUPTION AND ANTI-BRIBERY LAWS

[G1-4 24a]

(in € thousands)	2024
Number of convictions	0
Amount of fines	0

Anticorruption pillar no. 4 – Control and monitoring of procedures

Program control and corrective action monitoring are carried out through level-1, -2 and -3 controls, key performance indicators and reporting. Disciplinary sanctions are applied in proven incidents of corruption.

Export control policy

[G1-1 7] [ESRS 2 MDR-P]

As stated in its core purpose, Safran “designs, builds and supports high-tech solutions to contribute to a safer world”. Safran buys and sells “dual-use” components, equipment and technologies (i.e., those that can be used for both civil and military purposes) in more than 30 countries in particular to protect the interests of France, its allies and the European Union. Safran accordingly undertakes to comply with all applicable export control regulations for military equipment, dual-use products and civilian equipment, and related technologies and services. Safran is committed to combating the proliferation of conventional weapons, weapons of mass destruction and their means of delivery, with the purpose of preserving domestic and international security.

Safran has set up a global organization and is constantly adapting its internal measures and procedures. The Group Export Control and Customs Department reports to the Group General Secretary, Chair of the Ethics, Compliance and Anti-Fraud Committee, who is a member of the Group Executive Committee. The system is implemented by a worldwide network of more than 400 experts and correspondents. A Group Export Control Committee also meets at least twice a year. It includes the Head of the Group Export Control Department and the Export Control managers of the main Group companies and departments. It allows for an exchange of information on the progress made, difficulties encountered and risks identified, the implementation of joint improvement actions and the sharing of information on the latest regulatory developments.

The export control policy is structured around two axes:

1. Safran complies with all laws and international agreements signed in each of the countries where it operates, including but not limited to the Treaty on the Non-Proliferation of Nuclear Weapons, the Convention on Cluster Munitions, the Anti-Personnel Mine Ban Convention, the Wassenaar Arrangement, the EU Common Position on Arms Exports and the Arms Trade Treaty;
2. Safran is committed to applying for any governmental authorization that may be required to transfer and export or import defense-related or dual-use products, and to comply with all conditions and caveats associated with such licenses.

The Group takes into account changes in the global geopolitical environment, which may result in export restrictions to countries, legal entities or individuals. Safran analyzes said changes to determine their impact on its companies’ operations and ensure compliance with all requirements. The Group adheres scrupulously to all restrictive measures, particularly those imposed by Europe and the United States, applicable to its operations and financial transactions. Safran requires the same compliance from its suppliers through its responsible purchasing guidelines (see section 5.1.4.2.2). Regarding international trade, Safran also ensures compliance with applicable customs laws, and takes the most appropriate measures to guarantee the smooth running of its international operations.

Safran is not involved in any business related to the production of anti-personnel mines, cluster munitions, chemical and biological weapons, blinding lasers, autonomous lethal weapons systems, depleted uranium munitions or white phosphorus weapons.

Internal compliance program

[G1-1 9 AR1]

To take into account the risks associated with export control activities (see section 4.XXX), Safran has established a system aimed at ensuring strict compliance with all export control regulations and laws in all Group companies worldwide. The system has been specifically adapted for Safran subsidiaries in the United States to comply with US regulatory requirements, such as the International Traffic in Arms Regulations (ITAR), the Export Administration Regulations (EAR) and all restrictive measures imposed by the Office of Foreign Assets Control (OFAC).

The export control arm of Safran’s internal compliance program is based on:

1. identification of export restrictions on products;
2. management of export authorization and license applications;
3. compliance with the terms and conditions of the licenses granted;
4. identification and protection of controlled technologies;
5. training, exchanges of good practices and awareness-raising for the employees concerned: training and awareness-raising by the companies, the Group departments concerned and by Safran University (via a dedicated MOOC), distribution of information notes, dedicated space on the intranet site with a directory of export control network correspondents;

6. three-yearly reviews of the maturity of the control program of the companies and Group departments concerned by an external service provider, internal control points by the Audit and Internal Control Department, and one-off audits;
7. a comprehensive twice-yearly risk review;
8. treatment of non-compliance with applicable regulations: Safran ensures that its companies detect, assess and report any cases of non-compliance. The companies inform the relevant authorities of each identified case and take every precaution to prevent similar cases from recurring in the future;
9. application of the compliance standard by each company: Safran SA and all tier-one entities are responsible for ensuring the implementation and effectiveness of the control program in their own subsidiaries.

Letters of commitment to the program's applicability are signed by each tier-one subsidiary in accordance with Group procedures. Each subsidiary thus undertakes to apply Group policy at its particular level, to structure its organization and carry out staff training accordingly, and to report all relevant information to the Group.

Tax compliance

[G1-1] [ESRS 2 MDR-P]

In accordance with its Ethics Guidelines, Safran is committed to adopting the highest standards of tax compliance, namely the fight against fraud and tax evasion. In its tax policy, which is available on its website, Safran undertakes to:

- fully adhere to tax compliance and anti-tax evasion legislation in force in all countries where the Group operates;
- cooperate openly with the various tax authorities and disclose all the information they need to perform their reviews.

The tax function, headed by the Group Chief Tax Officer, works directly under the Chief Financial Officer, who is a member of the Group Executive Committee. A dedicated tax team deals with the Group's operations. Tax processes are reviewed annually through the global risk management process (see section 4.1).

The Group works proactively with tax authorities. Safran complies with the international tax principles set by the Organization for Economic Cooperation and Development (OECD): "Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations". Safran thus ensures that its intra-group transactions comply with the arm's length principle, declares its reporting on a country-by-country basis in accordance with Action 13 of the Action Plan on Base Erosion and Profit Shifting, and discloses the breakdown of its taxes and duties by major geographic area on its website.

Political influence and lobbying activities

[G1-5 29a] [G1-5 29c] [G1-5 29d] [G1-5 30 AR11]

Lobbying activities are managed by the Public Affairs Department, which reports to Safran's Group International Development and Public Affairs Department. The EVP International Development and Public Affairs is a member of the Executive Committee.

This department coordinates the Group's public affairs plan in support of Safran's two strategic priorities of sovereignty and decarbonization.

Three priority issues have been identified:

- defense, with a responsive outlook to parliamentarians plus a pro-active approach on subjects determined with Group companies;
- decarbonization, with a dual focus on promoting our activities and actively supporting their development;
- business climate, working for government support for Safran's activities, including exports.

Safran rigorously applies the directives of the French High Authority for Transparency in Public Life (disclosure of lobbying activities), along with all its own internal rules and procedures on professional ethics and anticorruption. Safran also registers its lobbying activities with the European Commission (identification number: 764184537594-67).

Regular training sessions on the matter are run for all Group employees, and are mandatory for all Development and Public Affairs Department employees. Regarding lobbying, Safran strictly adheres to an internal responsible lobbying charter, under which it undertakes to rigorously comply with the provisions of relevant national law, notably regulations relating to French and EU law.

Safran does not employ any consulting firms to support its lobbying. This is managed entirely in-house.

As mentioned in section 5.1.4.3.2 on preventing and detecting corruption, a guide to assessing the integrity of third parties sets out the rules to be applied in assessing the various categories of third parties according to criteria common to all Group companies and adapted to the risk level of each third party. All business partners of Group companies are systematically subject to internal and external due diligence and validation by the Ethics and Compliance Department. The procedure includes approving, managing and monitoring lobbyists, who must comply with Safran's responsible lobbying guidelines.

5.1.4.4 Innovation, support to research and scientific partnerships (ESG topic 11)

5.1.4.4.1 Description of the processes to identify and assess material impacts, risks and opportunities

[ESRS 2 IRO-1]

Safran places a premium on mastering disruptive innovation and technological excellence to give our customers a decisive edge. The competitive performance of Safran's products depends largely on the Group's innovation capabilities, especially in the technological field.

The specific topic of innovation, support to research and scientific partnerships was determined accordingly. The risk, impact and opportunity under this topic are outlined below. The double materiality assessment identified one risk, one positive impact and one opportunity for Safran (see list of IROs below).

For further details on the IRO identification process, see the dedicated section in ESRS 2, section 5.1.1.4.

ESG topic 11 – Entity specific

Innovation, support to research and scientific partnerships

IROs	Description	Type	Time horizon	Policies related to the IRO
Risk of technological decline and loss of competitiveness	Loss or reduction of the Group's competitive advantage due to the absence or inadequacy of patent protection, enabling other sector companies to replicate or imitate the technologies and innovations developed. Risk of scientific and technological impoverishment leading to a competitive disadvantage in the absence of research support and/or scientific partnerships.		LT	R&T and innovation policy
Opportunity for Safran to leverage R&T, innovation and collaborative work outcomes	Many of the technologies used by Safran today come from outside the Group. For expensive technologies, partnerships could reduce the financial burden for Safran and be a source of competitiveness.		ST	R&T and innovation policy
Technological progress and knowledge development in the service of society and ecological transition	Innovation for the common good: search for solutions to improve public safety and address the challenges of climate change and sustainable mobility. Development and sharing of scientific and technological knowledge through partnerships with schools, universities, research centers, incubators and industrial chairs.		ST	R&T and innovation policy

 Positive impact;  Negative impact;  Risk;  Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

5.1.4.4.2 Policies on innovation, support to research and scientific partnerships

[ESRS 2 MDR-P 65a] [ESRS 2 MDR-P 65b] [ESRS 2 MDR-P 65c] [ESRS 2 MDR-P 65d] [ESRS 2 MDR-P 65e] [ESRS 2 MDR-P 65f]

The Strategy, Technology and Innovation department coordinates all Research and Technology (R&T) and Innovation activities carried out by the Group, for all its aerospace and defense products, in all the countries where it has an industrial presence. These activities aim to provide Safran with innovative technologies to improve its products in service and develop more competitive, higher-performance products that meet environmental challenges, while maintaining customer satisfaction in the short and long term (see section 1.3).

Innovation is truly at the heart of Safran's strategy. The competitiveness of its products is largely based on the successful integration of technological innovation, providing the customer with industry-leading performances. Accordingly, the head of the Strategy, Technology and Innovation Department is a member of Safran's Executive Committee.

Safran's ability to produce breakthrough technological innovations is amply demonstrated across a huge breadth of sectors, such as electric taxiing, composite fan blades and hemispheric resonator gyros (HRGs). A proof-of-concept approach involving close liaison across Group companies is applied, especially for the high-potential projects run by the Innovation Department. Safran also develops cooperative

innovation with its suppliers and with startups working with the Group. The capacity to identify then implement efficient cooperative operations with academic, industrial and startup partners helps Safran integrate best practices in order to offer innovative and mature solutions within short lead times, while ensuring intellectual protection for the technologies developed.

A large proportion of R&T is carried out in-house. It is sometimes shared between several companies (joint effort on electronics) or carried out at the Strategy, Technology and Innovation Department's Safran Tech central research hub. These activities follow a formalized process that ensures consistency in research conduct, innovation evaluation, and technology maturity.

R&T and Innovation activities are chiefly equity-financed. However, given the specific structure of defense markets, activities concerning military products are primarily financed by the end customer. Some civil activities also benefit from public funding, particularly in France via the French Civil Aviation Authority (DGAC); in the United Kingdom via the Aerospace Technology Institute (ATI) and in Europe via the European Commission's Clean Aviation program.

Scientific Council

To strengthen the governance of innovation, Safran has set up a Scientific Council comprising ten world-renowned university researchers. In 2024, the council presented its observations and recommendations on the research topics pursued by the Group at plenary sessions attended by the leaders of the topics under discussion, and by the EVP Strategy and Chief Technology Officer.

5.1.4.4.3 Actions

[ESRS 2 MDR-A 68a] [ESRS 2 MDR-A 68b] [ESRS 2 MDR-A 68c] [ESRS 2 MDR-A 68d] [ESRS 2 MDR-A 68e] [ESRS 2 MDR-A 69a] [ESRS 2 MDR-A 68b]

To ensure sustained continuity of its R&T efforts (over the five- to ten-year estimated average lead-time for bringing a technology to maturity), Safran implements a stable process based on a structured multi-year R&T plan, broken down into some 40 R&T roadmaps.

R&T operations are guided by roadmaps aligned with the strategic challenges faced by Group companies (see section 1.3): competitive positioning sought at different timeframes, along with the corresponding technological demonstrations and fulfillment levers in terms of external partnerships and internal synergies. The roadmaps are analyzed on an annual basis by Group experts, who issue recommendations accordingly.

The Strategy, Technology and Innovation Department pilots the metric on efforts for reducing environmental impact: at least 75% of its self-financed R&T yearly expenditure is on reducing the environmental impact of its products (see section 5.1.2.1.2).

Various roadmaps contribute in particular to our environmental commitments, notably those on propulsion, electrification, sustainable aviation fuels and the recyclability of materials.

Partnerships for research and training

In addition to its internal resources, Safran calls upon a network of partners to expand and renew its scientific and technological expertise: universities and research centers around the world, and innovative startups. Safran has signed some 30 framework agreements with research organizations such as the French National Center for Scientific Research (CNRS), the French Aerospace Research Center (ONERA), the French Atomic Energy and Alternative Energies Commission (CEA), the French National Institute for Research in Digital Science and Technology (INRIA), and universities and engineering schools such as Les Mines, Centrale-Supélec and École Centrale Lyon.

These framework agreements ensure long-term management of mutually beneficial scientific partnerships for Safran and its partners, which may eventually become external research centers for the Group.

In this way, Safran contributes to the dynamics of a broader ecosystem to develop scientific knowledge and encourage innovation. Safran employees' visits to partner companies (see section 5.1.3.1.3) also help to unite the academic community around concerted scientific objectives, complementing bilateral programs and chairs.

Safran teams receive proposals from the council on actions and areas for improvement in the quality of research carried out, the accuracy of technological orientations and the relevance of scientific cooperation (links with universities and research centers), and on the adequacy of efforts on the various research topics with regard to objectives.

Safran participates in skills development through these scientific and academic partnerships. It also supports research through training by welcoming more than 220 PhD students and research students, by working in partnership with schools and university research centers, and through industrial chairs supported by France's national research agency. Safran was the leading employer of PhD students in France between 2018 and 2024, through industrial training-through-research agreements (CIFRE).

Safran runs a number of international thematic networks on key topics in aerodynamics, combustion, noise reduction, mechanics, digital technology, etc., and backs some ten French National Research Agency (ANR) industrial research chairs plus three scientific sponsorship chairs. In 2024, Safran participated in the creation of the SAFARI Industrial Chair at Centrale-Supélec's EM2C laboratory in "Sustainable aviation fuel: flame dynamics control and emissions reduction", and the HBM4SEATS Chair, with Ecole Centrale de Lyon (France), in "Human body modeling for seat comfort". Safran was actively involved in the foundation of three IRT centers⁽¹⁾: Saint Exupéry, SystemX and M2P. It is also a major participant in several competitiveness hubs, including Aerospace Valley and ASTech.

The intellectual property related to this cooperative work is defined contractually at the beginning of projects between partners. The general principle is that the intellectual property belongs to the partners who performed or co-financed the work, and, at the very least, Safran receives rights of use in its own field.

Joint laboratories

Joint laboratories have been formed under some of the longest-standing relationships. The oldest, formed by CNRS, the University of Bordeaux, CEA and Safran Ceramics in 1988, is the "Laboratoire des Composites Thermo Structuraux" (Structural Thermocomposites Laboratory). The most recent, formed by Safran, École Polytechnique and CNRS in 2023, is the COMHET (joint laboratory working on hall-effect thrusters).

European programs

As detailed in section 5.1.2 on climate change, Safran is an active member of European Union programs and bodies.

Intrapreneurship

In a changing economy, Safran seeks to explore new activities that complement its core businesses. This goal is pursued through intrapreneurship programs that nurture an entrepreneurial culture throughout the company and promote the development of new innovative projects.

(1) Instituts de recherche technologique (technology research institutes formed under France's Investments for the Future Program).

In 2018, Safran launched its We Love Intrapreneurs program to support employees wishing to develop new activities for the Group. The program starts with a call for ideas open to all Group employees, continues with an incubation phase and ends with an acceleration phase. A selection process runs throughout the program to identify and select the most promising projects and teams. During the incubation phase, employees are trained in entrepreneurial approaches and business creation methods, and helped to build strategies and business models. Teams that reach the acceleration phase can devote 100% of their time to their project, with the aim of testing their products or services and validating market interest.

The We Love Builders program launched in 2023 capitalizes on the incubation phase to upskill and support Group companies in exploring and developing new businesses.

Partnerships with innovative companies to develop emerging technologies

Safran Corporate Ventures aims to finance companies that have developed innovative technologies or business models that may be applicable to the aerospace and defense industries.

In line with the Group's innovation policy, Safran Corporate Ventures aims primarily to work alongside other investors to support innovative startups, particularly in the fields of aerospace industry decarbonization, New Space, sovereignty and digital technology. Safran supports these companies by contributing its expertise and the financial resources (minority investments) needed for their development. Its support ranges from access to an international network of experts, and commercial and industrial exposure, to the establishment of commercial or development agreements between the startups in its portfolio and the Group's various entities, and participation in their governance to support their growth strategies.

These contributions are a factor of sustainability for these young companies, which are fragile in their early years. Safran is committed to being a sustainable and responsible partner, building respectful, trust-based relationships in the interests of all parties. Safran showcases its startup partners at the Paris Air Show and at Hello Tomorrow, as well as at internal events dedicated to innovation, such as the Safran Innovation Day.

In 2024, Safran Corporate Ventures made three new investments, out of a total of 19 companies in its portfolio, including the startup Estuaire, which has developed in-depth

expertise to help its partners and customers more effectively understand the non-CO₂ effects of aviation and the associated models. In early 2024, Safran Corporate Ventures also invested in United Airlines' Sustainable Flight Fund, dedicated to decarbonizing the aviation sector, and in the startup MirSense (quantum cascade lasers).

Through its Open Innovation activity, in 2024, Safran Corporate Ventures also participated in the formation of some 40 partnerships and demonstrators between Group companies and young innovative companies, without taking an equity stake.

This Open Innovation activity is illustrated by the Safran Explore programs, which identify the most innovative players in a given specialty or geographical area with the aim of supporting them through the partnerships with Group companies.

To identify and support startups considered strategic for its growth, Safran Corporate Ventures is also a member of bodies including La Place Stratégique and StartAir, the club of French aerospace startups, through GIFAS. Safran Corporate Ventures also has a portfolio of partnerships with incubators and universities to identify the most promising technologies.

Innovation and intellectual property

The vibrant creativity and innovation capabilities of Safran teams, plus the special attention given to protecting intellectual property, are amply demonstrated by the number of patent filings, topping 1,000 a year worldwide from 2018. Safran holds current intellectual property rights for over 16,000 different inventions. This innovation performance is particularly remarkable in France, where the Institut National de la Propriété Industrielle (INPI) ranks Safran among the top three patent filers in France over the past ten years, and by far the largest holder of patents in France, with over 15,000 current titles.

In addition to patent protection, because of Safran's international reach and extensive partnership involvement, the Group gives great importance to ensuring close control over technology transfers and defining precise policy on the matter.

Some technological transfers are essential for market access reasons. Technologies for transfer, which do not belong to Safran's core technology portfolio, must be clearly identified, accurately valued, and covered by carefully structured long-term partnership arrangements. Under no circumstances may such partnerships restrict the Group's capacity for technological differentiation in the future.

5.1.4.4.4 Targets

[ESRS 2 MDR-T]

In addition to the above, the following objectives reflect the Group's involvement in the scientific community:

- number of student researchers⁽¹⁾ on Safran teams in 2024: 220;
- number of research students joining Safran in 2024: 66;
- % of student researchers hired on completion of their thesis in 2024: 31%;

- number of inventions patented in France in year Y-2 (patent applications filed with INPI, 2023 ranking available in April 2024): 1,232 at December 31, 2023;
- number of current French patents (at December 31 of Y-2): 16,457 at December 31, 2023.

(1) PhD students on CIFRE contracts.

5.1.4.5 Cybersecurity and protection of personal data (ESG topic 14)

5.1.4.5.1 Description of the processes to identify and assess material impacts, risks and opportunities

[ESRS 2 IRO-1]

Safran gives the utmost importance to protecting its sensitive data (including that of its employees) and that of its customers.

The double materiality assessment identified one risk and two negative impacts for Safran under the cybersecurity and protection of personal data topic (see list of IROs below).

See section 5.1.1.4 for details on the IRO identification process.

ESG topic 14

Cybersecurity and protection of personal data

IROs	Description	Type	Time horizon	Policies related to the IRO
Risk of financial loss and business disruption due to cybersecurity incidents or personal data breaches	Financial losses in the event of total or partial shutdown or slowdown/disruption of operations due to system interruptions, investment in cybersecurity software and technological processes, loss of defense-related government contracts due to non-compliance with cybersecurity regulations or a leak of sensitive confidential data, and loss of competitive advantage due to intellectual property theft, resulting in revenue loss and an impact on the company's viability.	(R)	ST	Cybersecurity policy Personal data policy
Damage to customer and supplier security and privacy due to data breaches or theft	Theft of customers' personal information: the compromising of the sensitive personal information of Safran's customers could lead to privacy violations, financial fraud and security concerns.	(I-)	ST	Cybersecurity policy Personal data policy
Violation of national security through the disclosure or theft of classified information related to the country's defense	Weakening of national defense capabilities and threat to military operations, risk to the security of armed forces and deterioration of diplomatic relations.	(I-)	ST	Cybersecurity policy Personal data policy

⊕ Positive impact; ⊖ Negative impact; (R) Risk; (O) Opportunity; ST: Short-term; MT: Medium-term; LT: Long-term

5.1.4.5.2 Cybersecurity and personal data protection policy

[MDR-P-65a] [MDR-P-65b] [MDR-P-65c] [MDR-P-65d] [MDR-P-65e] [MDR-P-65f]

Cybersecurity policy

The Cybersecurity and Personal Data Protection Departments work in sync to ensure the security of all data used on Safran's information systems.

Safran's information systems security policy reflects the company's commitment to ensuring the long-term viability of its activities and strengthening its competitiveness through the security of all its data, in particular data relating to strategic information, product safety, legal compliance, management of critical activities, resistance to cyber-attacks and protection of personal data.

The cybersecurity policy is based on the following fundamental principles:

- identify threats from the onset, by monitoring and exchanging information within CERT-FR, Safran's CERT;
- ensure peripheral and in-depth detection of any intrusion attempt, using the best available resources under 24/7 surveillance;

- protect the Group's activities and information assets by applying state-of-the-art security to critical information systems and systems containing data whose disclosure, theft or alteration might have damaging consequences for Safran, its customers, partners or employees, especially as regards aviation safety;
- support the Group's development and IS transformation projects by providing, right from the design stage, a reference framework and adapted security measures in response to cyber threats;
- set up advanced resilience systems.

In deploying its policy, Safran relies on:

1. a risk management process to identify, assess and mitigate safety risks;
2. mechanisms for monitoring and controlling physical access to sensitive installations and equipment;
3. safe, robust and appropriate mechanisms for accessing infrastructure and information;
4. identification and authentication of information system users;

5. rigorous management of system configurations, including software, hardware and security parameters, to prevent vulnerabilities, assess risk propagation and ensure compliance with security standards;
6. regular and comprehensive system maintenance and updates;
7. effective management of potential security incidents;
8. appropriate information protection;
9. monitoring mechanisms to track user activities and regular audits;
10. strong protection of information systems and communications through firewalls, intrusion detection systems, regular software updates, robust encryption protocols and authentication mechanisms;
11. system and information integrity, as through the use of cryptographic hashes, verification and access control mechanisms, and regular audits;
12. regular safety awareness and training programs for employees.

Safran's ambitions are central to the Group's cybersecurity strategy, namely:

- contribute to the Group's growth and development while upholding its historical success factors;
- be irreproachable on quality, and improve performance while controlling costs;
- meet all legal and regulatory requirements.

Governance

Safran's cybersecurity policy is supported by a dedicated organization:

- Group Executive Management: sets objectives and allocates resources to meet these objectives to the departments concerned, including Digital and IS, Safety and R&T;
- the Digital and Information Systems Department, whose Director is a member of the Executive Committee;
- three security chains: the Cybersecurity chain for information systems, the CyberProduct chain and the Safety chain;
- a Group Information Systems Security Officer, a Group Product Security Officer, and two managers appointed in each tier-one entity, responsible for information systems security and industrial information systems security;
- the Group's cross-functional departments, chiefly Human Resources, Legal, Purchasing, Export Control, Audit and Internal Control, and Safety;
- bodies managing information systems security.

IS security steering bodies

IS security is managed through three bodies:

- the IS board: the IT Department's steering and decision-making body;

- the Group Cybersecurity Committee is attended by the Group Chief Executive Officer, officers from the Digital and Information Systems, Safety and R&T departments, two subsidiary chairs, and the Group Corporate Secretary in his capacity as the person responsible for the security of the Group's information systems. The Committee meets four times a year;
- the monthly Cybersecurity Management Meeting, attended by the IS Security Managers (ISSMs) from tier-one subsidiaries and chaired by the ISSM-G.

In addition, each tier-one entity has its own security committee, comprising the company's chairman or delegate, the central security manager and their line manager, the information systems director and the information systems security manager. This committee meets at least twice a year, to examine security aspects regarding the company's challenges, risks and major projects.

Personal data protection policy

The Group ensures that its business is conducted with respect for privacy and the protection of the personal data of its employees and contacts (customers, prospects, suppliers, partners, applicants, etc.). The compliance of Safran's personal data protection system is built on three pillars:

- **a Group policy**, which provides a framework for the governance and organization of personal data protection.

Safran's personal data protection organization comprises a Group Data Protection Officer (DPO), DPOs in the tier-one entities, country correspondents and local correspondents for the Group's major sites. This network circulates procedures (rights of individuals, management and notification of personal data breaches, register of processing activities transferred outside the European Union), raises awareness among internal players and coordinates the compliance of activities and processes involving the processing of personal data;

- **an internal standard comprising procedures** aimed at implementing European and international regulations (and any developments therein) on personal data protection, including the binding corporate rules (BCR) that govern the transfer of personal data between the Group's international subsidiaries;
- **harmonized tools** to ensure accountability and the principles of privacy by design and by default.

Safran's personal data protection policy and the Safran BCR Controller are available on the Safran Group website. In the event of change in the Group's personal data protection policy, the new versions will be made available to the people concerned, on the Group website.

In addition, through its responsible purchasing guidelines and the personal data protection clauses in its contracts, Safran also requires the same compliance from all suppliers with which personal data is shared.

5.1.4.5.3 Actions

[ESRS 2 MDR-A]

Continuous improvement measures in cybersecurity include:

- action plans adapted to the context and risk levels involved, especially in the event of incident. The Cyber plan sets out the actions to be taken at Group level to strengthen or improve infrastructure cybersecurity. This is reviewed monthly by the Cybersecurity Plan SteerCom;
- measurement of system efficacy, using control points at site, company and Group level. This also provides confirmation of Safran's compliance with European standards;
- a training plan including in-person training and awareness-raising through e-learning on the Safran Digital Academy platform (see section 5.1.3.1.3).

The Group pursues development of its personal data protection compliance system through:

- awareness-raising for Group employees through e-learning and ad hoc sessions (IT, HR, etc.), and signature of an annual representation letter by the CEOs of the tier-one entities;
- reinforcement of the application of the principles of privacy by design and by default through the performance of compliance reviews and annual compliance audits by the DPO;
- transparency with regard to data subjects, mainly through access to Safran's personal data protection policy and BCR controllers on the Group's website.

5.1.5 Methodology note on social and governance metrics

The social and governance metrics in this section take into account the requirements of the CSRD. The reporting period is the calendar year from January 1 to December 31, 2024 and covers the worldwide scope, unless otherwise stated. The metrics are documented in internal references. The definitions of the key metrics are presented below.

5.1.5.1 Details on key labor metrics

5.1.5.1.1 Workforce-related metrics

Employees were accounted for at December 31, 2024. The figures are calculated in terms of physical persons, i.e., based on headcount. Employees include workers on permanent contracts (CDI) and fixed-term contracts (CDD), work-study contracts (apprenticeship or professional training contracts) and research student contracts (with an industrial training-through-research agreement (CIFRE) or a technology research diploma (DRT)).

Non-employee workers include temporary workers (monthly average over the period), interns with an internship contract of at least four weeks' duration (number of interns during the period) and students on an international volunteering contract (number of students on a VIE contract during the period).

Full-time and part-time employees: Employees counted as full-time and part-time are those on permanent contracts, fixed-term contracts, work-study contracts or research student contracts according to the SELIA database (with a completeness rate of approximately 95%). Data for India and Germany have been estimated for the year 2024.

Permanent and temporary contracts are open-ended contracts and fixed-term contracts, respectively, including work-study and research student contracts.

New hires concern the recruitment of employees on permanent contracts and employees on fixed-term contracts, excluding employees on work-study contracts (apprenticeship or professional training contracts) and research students with a CIFRE or a DRT. External employees hired following specific contracts are also included. Employees who join the Group further to acquisitions are not included in the metric.

Senior executives correspond to the members of the Group's Executive Committee and employees who are classified into four top-management categories ("bands") based on their level of responsibility. Responsibilities increase from category 4 to category 1. This classification is linked to the Willis Towers Watson Global Grading System (GGS) method.

Permanent departures concern employees leaving the Group under permanent contracts and fixed-term contracts, excluding employees on work-study and research student contracts, for the following reasons:

- retirement;
- resignation and other voluntary departures (e.g., end of trial period at the employee's initiative, abandonment of position);
- dismissal and other involuntary departures (e.g., negotiated termination, death, end of trial period at the employer's initiative, redundancy);
- end of contract.

Employee turnover rate is the number of employee departures during the calendar year, excluding employees on work-study and research student contracts, out of the total number of employees present at December 31 of the previous year.

Training refers to the average number of hours spent on both face-to-face and distance learning. Employees counted in these metrics include permanent and fixed-term employees excluding people on long-term leave, work-study students and research students.

High-potential employees are managers who are expected to be able to successfully assume responsibilities within a management committee or equivalent, in the short to medium term.

5.1.5.1.2 Metrics related to employee health and safety

Fatalities are those resulting from workplace accidents or occupational illnesses declared to be in connection with Safran's activities. Fatalities are counted for employees, non-employee workers and others (on-site service providers, who form part of Safran's value chain).

Accidents: Workplace accidents are accidents that occur in the workplace and during work while the employee is under the employer's authority. These accidents therefore do not include those occurring while commuting to or from work. Accidents counted are those resulting in more than 24 hours of absence from work (lost time accidents).

The frequency rate of lost-time accidents equals the number of incidents resulting in one day or more of lost time, divided by the number of hours worked, multiplied by one million. Hours worked correspond to theoretical hours, calculated based on a three-year average of actual hours worked. This average is calculated by country.

Occupational illnesses refer to any illnesses declared by workers in connection with their professional activity, even in the event of a dispute, as long as management has not confirmed that there is no link between the illness and the worker's activity at Safran.

% of Safran's own workers covered by the Health & Safety management system: Safran's employees and non-employees are covered by the health and safety management system described in the HSE manual and standards. All Safran sites are concerned. Safran uses HSE audits to verify the accuracy of sites' HSE maturity self-assessments.

5.1.5.1.3 Remuneration-related metrics

Scope: The reporting scope for the remuneration metrics concerning adequate wages, the gender pay gap and the pay ratio covers all employees who hold an employment contract with a Safran entity. In order to ensure consistency of results, only employees with at least one year's seniority in 2024 were included, particularly because some remuneration components are subject to criteria based on seniority (e.g., variable remuneration). The data collected represents 96% of the Group's workforce.

Adequate wages: The proportion of the Group's workforce (permanent or fixed-term employees, excluding work-study and

research students) who receive an adequate wage is calculated taking into account their basic wage as well as guaranteed fixed bonuses, and excluding any other type of benefit. In accordance with the CSRD, the benchmarks used for adequate wages are as follows:

- in the European Economic Area:
 - the minimum wage set by national legislation or the applicable collective bargaining agreement for Germany, Belgium, the Czech Republic, Spain, France, the Netherlands and Poland (this benchmark is being used pending transposition into national laws of EU Directive 2022/2041 on adequate minimum wages);
 - 60% of the national median wage for Norway and Finland;
- outside the European Economic Area:
 - the minimum wage set by national or regional legislation for Australia, Brazil, Canada, China, Egypt, Hong Kong, India, Japan, Malaysia, Mexico, Morocco, New Zealand, South Africa, South Korea, Switzerland, Taiwan, Thailand, Tunisia, the United Arab Emirates, the United Kingdom and the United States;
 - the adequate wage set by the Fair Wage Network for Singapore.

Gender pay gaps: For the purpose of calculating gender pay gaps, the remuneration taken into account includes basic salary, guaranteed fixed bonuses and variable remuneration. These gaps have been calculated taking into account (i) job types, based on job categories, and (ii) the countries concerned. An average of the pay gaps by job category and then by country was calculated to determine the overall gender pay gap at Group level. With the implementation of the SELIA tool in 2025, the aim will be to strengthen the quality of the data transmitted, notably for India.

Pay ratio: The ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration for all employees was calculated on the basis of total annual remuneration, comprising basic salary, guaranteed fixed bonuses, variable remuneration (bonus and mandatory and discretionary employee profit-sharing) and long-term remuneration plans. Data on benefits-in-kind collected from companies have been excluded from the basis for calculating the metrics.

5.1.5.2 Details on key governance metrics

Supplier and subcontractor payment terms: The scope for calculating the standard payment terms and percentage of payments aligned with these terms corresponds to all Safran Finance Services (SFS) Shared Services Centers (SSC), which manage the accounts payable of the vast majority of Safran entities in France and internationally, representing 85% of our supplier invoices and 87.2% of consolidated supplier payables. An action plan is underway to complete this scope of calculation for the main material entities missing (in the Americas, where a separate information system is used).

Calculation of compliance with supplier payment terms involves comparing the due date calculated by Safran with the actual payment date for all invoices paid. The due date calculated by Safran is equal to the invoice date plus the payment condition indicated on the order. The calculation scope includes invoices that have fallen due and invoices with a dispute under supplier responsibility that have been paid late. The standard payment term corresponds to the average difference between invoice date and payment date for all paid invoices.

Percentage of senior executives and exposed or affected employees trained in anticorruption: This indicator represents

the percentage of senior managers and exposed or affected employees trained in anticorruption among Executive Management and in the Purchasing, Human and Labor Relations, Legal, Finance, Audit and Internal Control, Ethics and Compliance, Commercial, Programs, Risks and Insurance and Communication departments.

Purchases made from suppliers that have signed Safran's responsible purchasing guidelines: This metric represents the percentage of the volume of purchases in euros made by the Group from production and non-production suppliers that have signed the GRF-0164 Safran responsible purchasing guidelines or have equivalent guidelines. This purchase volume corresponds to the volume managed by the purchasing organization; it excludes purchases related to partners and public authorities. Compliance is considered equivalent if the supplier meets Safran's CSR requirements compliance matrix, if it has signed equivalent guidelines with one of the other major GIFAS contractors (Airbus, Dassault, Thales), if it has signed the Sustainable Procurement and Supplier Relations guidelines of the French Business Mediation Service or of the IFBEC, if it has obtained the Responsible Supplier Relations and Purchasing label, or if it has obtained an EcoVadis CSR rating considered compliant by Safran.

5.1.6 Appendices

5.1.6.1 Disclosure Requirements in ESRS covered by the Sustainability Statement

Once the material IROs had been determined, Safran assessed the materiality and relevance of each disclosure requirement and, thereafter, of each data point.

[ESRS-2 IRO-2 59]

ESRS 2 – GENERAL DISCLOSURES

Disclosure Requirement	Section
BP-1 – General basis for preparation	5.1.1.1
BP-2 – Specific circumstances	5.1.1.1.2
GOV-1 – Roles of governance bodies	5.1.1.2.1
GOV-2 – Information provided to and sustainability matters addressed by these bodies	5.1.1.2.2
GOV-3 – Integration of sustainability-related performance in incentive schemes	5.1.1.2.3
GOV-4 – Due diligence	5.1.1.2.4
GOV-5 – Risk management and internal controls	5.1.1.2.5
SBM-1 – Strategy, business model and value chain	5.1.1.3.1
SBM-2 – Stakeholders	5.1.1.3.2
SBM-3 – Material IROs and their interaction with strategy and business model	5.1.1.4.2
IRO-1 – Process to identify and assess IROs	5.1.1.4.1
IRO-2 – Disclosure requirements in ESRS	5.1.1.4.3

ESRS E1 – CLIMATE CHANGE

Disclosure Requirement	Section
ESRS 2 GOV-3 – Governance	5.1.2.1.1
E1-1 – Transition plan	5.1.2.1.2
ESRS 2 SBM-3 – Material IROs and their interaction with strategy and business model	5.1.2.1.3
ESRS 2 IRO-1 – Process to identify and assess IROs	5.1.2.1.3
E1-2 – Policies	5.1.2.1.4
E1-3 – Actions	5.1.2.1.4
E1-4 – Targets	5.1.2.1.2; 5.1.2.1.6
E1-5 – Energy consumption and mix	5.1.2.1.5
E1-6 – Scopes 1, 2 and 3	5.1.2.1.6
E1-8 – Internal carbon pricing	5.1.2.1.7

ESRS E2 – POLLUTION

Disclosure Requirement	Section
ESRS 2 IRO-1 – Process to identify and assess IROs	5.1.2.2.1
E2-1 – Policies	5.1.2.2.2
E2-2 – Actions	5.1.2.2.3
E2-3 – Targets	5.1.2.2.4
E2-4 – Pollution of air, water and soil	5.1.2.2.5
E2-5 – Substances	5.1.2.2.5
E2-6 – Financial effects	5.1.2.2.6

ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY

Disclosure Requirement	Section
ESRS 2 IRO-1 – Process to identify and assess IROs	5.1.2.3.1
E5-1 – Policies	5.1.2.3.2
E5-2 – Actions	5.1.2.3.3
E5-3 – Targets	5.1.2.3.4
E5-4 – Resource inflows	5.1.2.3.5
E5-5 – Resource outflows	5.1.2.3.6

ESRS S1 – OWN WORKFORCE

Disclosure Requirement	Section
ESRS 2 SBM-2 – Stakeholders	5.1.1.3.2
ESRS 2 SBM-3 – Material IROs and their interaction with strategy and business model	5.1.3.1.1
S1-1 – Policies	5.1.3.1.3
S1-2 – Engagement process	5.1.3.1.3
S1-3 – Remediation process	5.1.3.1.3
S1-4 – Actions	5.1.3.1.3
S1-5 – Targets	5.1.3.1.3
S1-6 – Characteristics of employees	5.1.3.1.2
S1-8 – Collective bargaining coverage and social dialogue	5.1.3.1.3
S1-9 – Diversity metrics	5.1.3.1.3
S1-10 – Adequate wages	5.1.3.1.3
S1-13 – Training and skills development metrics	5.1.3.1.3
S1-14 – Health and safety metrics	5.1.3.1.3
S1-16 – Remuneration metrics	5.1.3.1.3
S1-17 – Incidents, complaints and severe human rights impacts	5.1.3.1.3

ESRS S2 – VALUE CHAIN WORKERS

Disclosure Requirement	Section
ESRS 2 SBM-2 – Stakeholders	5.1.1.3.2
ESRS 2 SBM-3 – Material IROs and their interaction with strategy and business model	5.1.3.2.1
S2-1 – Policies	5.1.3.2.1
S2-2 – Engagement process	5.1.3.2.1
S2-3 – Remediation process	5.1.3.2.1
S2-4 – Actions	5.1.3.2.1
S2-5 – Targets	5.1.3.2.1

ESRS S4 – CONSUMERS AND END-USERS

Disclosure Requirement	Section
ESRS 2 SBM-2 – Stakeholders	5.1.1.3.2
ESRS 2 SBM-3 – Material IROs and their interaction with strategy and business model	5.1.3.3.1
S4-1 – Policies	5.1.3.3.1
S4-4 – Actions	5.1.3.3.1
S4-5 – Targets	5.1.3.3.1

ESRS G1 – BUSINESS CONDUCT

Disclosure Requirement	Section
ESRS 2 GOV-1 – Role of governance bodies	5.1.4.1
ESRS 2 IRO-1 – Process to identify and assess IROs	5.1.4.2.1
G1-1 – Policies	5.1.4.2.2
G1-2 – Management of relationships with suppliers	5.1.4.2
G1-3 – Prevention and detection of corruption and bribery	5.1.4.3.2
G1-4 – Incidents of corruption or bribery	5.1.4.3.2
G1-5 – Political influence and lobbying activities	5.1.4.3.2
G1-6 – Payment practices	5.1.4.2.5

5.1.6.2 ESRS data points required by other EU legislation (ESRS 2 - Annex B)

Disclosure Requirement	Data point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Data point materiality	Section	Page
ESRS 2 GOV-1	21 (d)	x		x		Material	5.1.1.2.1	326
ESRS 2 GOV-1	21 (e)			x		Material	5.1.1.2.1	326
ESRS 2 GOV-4	30	x				Material	5.1.1.2.4	330
ESRS 2 SBM-1	40 (d) i	x	x	x		Not material	N/A	
ESRS 2 SBM-1	40 (d) ii	x		x		Not material	N/A	
ESRS 2 SBM-1	40 (d) iii	x		x		Not material	N/A	
ESRS 2 SBM-1	40 (d) iv			x		Not material	N/A	
ESRS E1-1	14				x	Material	5.1.2.1.2.	347
ESRS E1-1	16 (g)		x	x		Material	5.1.2.1.2.	353
ESRS E1-4	34	x	x	x		Material	5.1.2.1.6	358
ESRS E1-5	38	x				Material	5.1.2.1.5.	359
ESRS E1-5	37	x				Material	5.1.2.1.5	359
ESRS E1-5	40-43	x				Material	5.1.2.1.5.	359
ESRS E1-6	44	x	x	x		Material	5.1.2.1.6.	360
ESRS E1-6	53-55	x	x	x		Material	5.1.2.1.6.	363
ESRS E1-7	56				x	Not material	N/A	
ESRS E1-9	66			x		Material	Reported late	
ESRS E1-9	66 (a)		x			Material	Reported late	
ESRS E1-9	66 (c)		x			Material	Reported late	
ESRS E1-9	67 (c)		x			Material	Reported late	
ESRS E1-9	69			x		Material	Reported late	
ESRS E2-4	28	x				Material	5.1.2.2.5	373
ESRS E3-1	9	x				Not material	N/A	
ESRS E3-1	13	x				Not material	N/A	
ESRS E3-1	14	x				Not material	N/A	
ESRS E3-4	28 (c)	x				Not material	N/A	
ESRS E3-4	29	x				Not material	N/A	

Disclosure Requirement	Data point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Data point materiality	Section	Page
ESRS 2- SBM-3 – E4	16 (a) i	x				Not material	N/A	
ESRS 2- SBM-3 – E4	16 (b)	x				Not material	N/A	
ESRS 2- SBM-3 – E4	16 (c)	x				Not material	N/A	
ESRS E4-2	24 (b)	x				Not material	N/A	
ESRS E4-2	24 (c)	x				Not material	N/A	
ESRS E4-2	24 (d)	x				Not material	N/A	
ESRS E5-5	37 (d)	x				Material	5.1.2.3.7	376
ESRS E5-5	39	x				Material	5.1.2.3.7	376
ESRS 2 – SBM-3 – S1	14 (f)	x				Material	5.1.3.1.1	411
ESRS 2 – SBM-3 – S1	14 (g)	x				Material	5.1.3.1.1	411
ESRS S1-1	20	x				Material	5.1.3.1.3	410
ESRS S1-1	21			x		Material	5.1.3.1.3	411
ESRS S1-1	22	x				Material	5.1.3.1.3	411
ESRS S1-1	23	x				Material	5.1.3.1.3	392
ESRS S1-3	32 (c)	x				Material	5.1.3.1.3	407
ESRS S1-14	88 (b), (c)	x		x		Material	5.1.3.1.3.	394
ESRS S1-14	88 (e)	x				Material	Reported late	
ESRS S1-16	97 (a)	x		x		Material	5.1.3.1.3	405
ESRS S1-16	97 (b)	x				Material	5.1.3.1.3	405
ESRS S1-17	103 (a)	x				Material	5.1.3.1.3	411
ESRS S1-17	104 (a)	x		x		Material	5.1.3.1.3	411
ESRS 2 – SBM-3 – S2	11 (b)	x				Material	5.1.3.2.1	414
ESRS S2-1	17	x				Material	5.1.3.2.1	412
ESRS S2-1	18	x				Material	5.1.3.2.1	414
ESRS S2-1	19	x		x		Material	5.1.3.2.1	412
ESRS S2-1	19			x		Material	5.1.3.2.1	412
ESRS S2-4	36	x				Material	5.1.3.2.1	415
ESRS S3-1	16	x				Not material	N/A	
ESRS S3-1	17	x		x		Not material	N/A	
ESRS S3-4	36	x				Not material	N/A	
ESRS S4-1	16	x				Material	5.1.3.3.1.	417
ESRS S4-1	17	x		x		Material	5.3.3.1.1	417
ESRS S4-4	35	x				Not material	N/A	
ESRS G1-1	10 (b)	x				Not applicable.	N/A	
ESRS G1-1	10 (d)	x				Not applicable.	N/A	
ESRS G1-4	24 (a)	x		x		Material	5.1.4.3.2	430
ESRS G1-4	24 (b)	x				Material	5.1.4.3.2	429

5.1.7 Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024

This is a free translation into English of the statutory auditors' report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852.

To the Annual General Meeting of Safran,

This report is issued in our capacity as statutory auditors of Safran. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 included in the management report and presented in section 5.1 of the Universal Registration Document (hereafter the "Sustainability statement").

Pursuant to Article L. 233-28-4 of the French Commercial Code, Safran is required to include the above-mentioned information in a separate section of its management report. This information has been prepared in the context of the first-time application of the aforementioned Articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. This information enables an understanding of the impact of the activity of the Group on sustainability matters, as well as the way in which these matters influence the development of the business of the Group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 paragraph II of the aforementioned Code, our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by Safran to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code;
- compliance of the sustainability information included in the Sustainability statement with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on *Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*.

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by Safran in its Sustainability statement, we have included an emphasis of matter(s) paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantee regarding the viability or the quality of the management of Safran, in particular it does not provide an assessment of the relevance of the choices made by Safran in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the Entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the Sustainability statement is not covered by our engagement.

Compliance with the ESRS of the process implemented by Safran to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by Safran has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that led to the publication of sustainability information disclosed in the Sustainability statement; and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by Safran with the ESRS.

We inform you that, as of the date of this report, the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code has not yet been performed.

Elements that received particular attention

We present hereafter the elements that received particular attention on our part regarding the compliance of Safran's disclosure process with the ESRS.

Concerning the identification of stakeholders

Information on stakeholders identification is provided in section "5.1.1.3 Strategy, business model and CSR policy" of the Sustainability statement.

We obtained an understanding of the analysis conducted by Safran to identify:

- the stakeholders who can affect or be affected by the entities within the scope of information, through their direct or indirect business activities and relationships across the value chain;
- the main users of the sustainability statements (including the main users of the financial statements).

We interviewed the Group's sustainability management and the persons we deemed appropriate, and examined the available documentation. Our work consisted primarily in assessing the consistency of the main stakeholders identified by Safran with the nature of its activities and its geographical location, taking into account its business relationships and value chain.

Concerning the identification of impacts, risks and opportunities

Information on the identification of impacts, risks, and opportunities is provided in section "5.1.1.4 Safran ESG topics" of the Sustainability statement.

We obtained an understanding of the process implemented by Safran regarding the identification of actual and potential (negative or positive) impacts, risks, and opportunities ("IROs"), in relation to the sustainability matters set out in paragraph AR 16 of the "Application Requirements" of ESRS 1, and those specific to Safran as presented in Note "5.1.4.4 Innovation, support to research and scientific partnerships (ESG Topic 11)" of the Sustainability statement.

In particular, we assessed the approach set by Safran to determine its impacts and dependencies, which may be a source of risks or opportunities, notably the dialogue with stakeholders.

We obtained an understanding of Safran's mapping of the identified IROs, including in particular the description of their distribution within Safran's own operations and value chain, as well as their time horizon (short, medium, or long term), and we assessed the consistency of this mapping with our knowledge of the Group.

Concerning the assessment of impact materiality and financial materiality

Information on the assessment of impact materiality and financial materiality is provided in section "5.1.1.4 Safran ESG topics" of the Sustainability statement.

Through interviews with Management and the examination of the available documentation, we obtained an understanding of the process implemented by Safran to assess impact materiality and financial materiality, and assessed its compliance with the criteria defined in ESRS 1.

In particular, we assessed the way in which Safran prepared and applied the materiality criteria defined by ESRS 1, including the setting of thresholds to determine the material information disclosed under the metrics relating to the identified material IROs in accordance with the relevant ESRS subjects and in respect of Safran-specific disclosures.

Compliance of the sustainability information included in the Sustainability statement with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the information provided enables the understanding of the general basis for the preparation and governance of the sustainability information included in the Sustainability statement, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by Safran for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Sustainability statement, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the “Specific information and sources of estimation and outcome uncertainty and first-time application of the CSRD and ESRS” paragraph included in section 5.1.1.2 of the Sustainability statement, which mentions in particular the sources of uncertainty related to estimates and the interpretation of texts, the methodological limitations associated with certain metrics, as well as the information not disclosed or partially disclosed.

Elements that received particular attention

Information provided in application of environmental standards (ESRS E1 to E5)

We describe hereafter the elements to which we paid particular attention concerning the compliance with the ESRS regarding climate change (ESRS E1) disclosures presented in section “5.1.2.1 Climate and decarbonization c (mitigation and adaptation) – ESG Topic 1 (ESRS E1)” of the Sustainability statement.

Based on the interviews conducted with the Group’s sustainability management, we assessed whether the description of the policies, actions, and targets implemented by Safran covers the following areas: climate change mitigation and climate change adaptation.

Regarding the information published concerning the greenhouse gas emissions summary:

- we assessed the consistency of the scope considered for the greenhouse gas emissions summary with the scope of the consolidated financial statements, the activities under operational control, and the upstream and downstream value chain;
- we obtained an understanding of the greenhouse gas emissions inventory protocol used by Safran to prepare the greenhouse gas emissions summary and assessed its application methods for a selection of emissions categories and sites, under scope 1 and scope 2;
- with regards to the estimates we considered to be critical and which the Entity used for the preparation of its greenhouse gas emissions summary, we obtained an understanding, through interviews with the climate management, of the calculation method used for the estimated data and the sources of information used in the development of the estimates;
- with regard to scope 3 emissions, we assessed:
 - the justification for the inclusions and exclusions of the various categories and the transparency of the information provided in this respect,
 - the process for collecting data;
- we assessed, on the basis of selections, the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data used;
- for physical data (such as energy consumption), we reconciled, on the basis of selections, the underlying data used to prepare the greenhouse gas emissions summary with the supporting documents.

With regard to the transition plan for climate change mitigation presented in section “5.1.2.1.2 Strategy” of the Sustainability statement, our work mainly consisted in:

- examining the information set out in “5.1.2.1.1 Governance” as part of the climate strategy (which notably covers the transition plan) approval by the governance bodies of Safran referred to therein;
- assessing whether the information published under the transition plan meets the requirements of ESRS E1 and appropriately describes the structuring assumptions underlying this plan, it being specified that we do not have to report on the appropriateness or the ambition level of the objectives of this transition plan.

Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by Safran to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We have concluded that there were no such matters to be disclosed in our report.

Paris-La Défense, March 21, 2025

The Statutory Auditors

French original signed by

FORVIS MAZARS SA

Jérôme de Pastors Christophe Berrard

ERNST & YOUNG et Autres

Philippe Berteaux Nicolas Macé

5.2 DUTY OF CARE PLAN (SUMMARY)

Safran is fully committed to exemplary business ethics, firmly convinced that sustainable growth can only be achieved by preserving the environment and by respecting the people it works with.

Our Duty of Care Plan is an integral component of our approach to ethical business conduct, in line with the Group's values and core purpose. The full version of the Duty of Care Plan, including the annual report on its effective implementation, is available on Safran's corporate website⁽¹⁾.

5.2.1 Governance

Safran places respect for human rights and fundamental freedoms, health and safety, and environmental protection at the center of all of its actions. The Duty of Care Plan is validated by the Chief Executive Officer, the EVP Corporate Human and Social Responsibility, the Chief Sustainability Officer, the EVP Industrial, Purchasing and Performance, and the Corporate Secretary, who oversees the Ethics and Compliance Department, which is responsible for developing and coordinating the implementation of the Duty of Care Plan.

In 2024, Safran rounded out its governance by creating a steering committee (Group Duty of Care & Human Rights committee) responsible for ensuring the cross-functional nature of Safran's Duty of Care actions. The Group has also strengthened the management of the Duty of Care Plan by creating a dedicated team under the responsibility of a Group Head of Duty of Care and Human Rights within a dedicated unit integrated into the Ethics and Compliance Department (see section 2.1 of the full version of the Duty of Care Plan available on the Group's website).

5.2.2 Scope of application

The Duty of Care Plan covers Safran's main activities (see chapter 1 of the full version of the Duty of Care Plan available on the Group's website), its subsidiaries⁽²⁾, and its main suppliers and subcontractors. As part of a continuous improvement process,

Safran is gradually extending its scope to all its activities (see section 2.4.2 of the full version of the Duty of Care Plan available on the Group's website).

5.2.3 Duty of care risk map

Risks related to the duty of care are mapped and assessed according to a Group risk framework covering the three themes of the duty of care: protection of human rights and fundamental freedoms, health and safety of people, and preservation of the environment. This framework covers the fundamental rights enshrined notably in the United Nations International Covenant on Economic, Social and Cultural Rights, and the International Labour Organization Core Conventions.

The mapping includes 66 operational risk typologies, which are assessed on the basis of impact and likelihood criteria. The identification of potential gross risks⁽³⁾ is based on internal and external data (e.g., EcoVadis, Verisk Maplecroft; see section 2.4.1 of the full version of the Duty of Care Plan available on the Group's website).

In 2024, the mapping of potential gross risks highlighted the following points:

- **geographical risks:** for all of the operational risk scenarios analyzed, gross criticality levels are highest for activities located in South-East Asia and, to a lesser extent, in the Africa and Middle East region and North America;

- **sector risks:** the electrical wiring business was identified as having the highest potential gross risk due to supply chain risks (e.g., supplies purchased from high-risk countries, particularly regarding human rights);
- **priority risk families:** the risk mapping results showed that the main risk families concern, for example, workplace accidents and the impact of greenhouse gas emissions on climate change;
- **categories of purchases identified as "at risk", taking into account only the gross sector risk:** several categories of purchases are considered to have a "very high" potential risk, in particular the manufacture of measuring, testing and control equipment.

Detailed results and risk control measures are presented in chapter 3 of the Duty of Care Plan (full version). The methodology used to map duty of care risks, its specificities and consistency with ERM (Enterprise Risk Management) are described in detail in chapter 2 of the Plan. Detailed results and risk control measures are presented in chapter 3.

⁽¹⁾ <https://www.safran-group.com/sustainability/a-responsible-industry>

⁽²⁾ Within the meaning of Article L. 233-3 of the French Commercial Code.

⁽³⁾ Unlike net risk, gross risk is assessed without taking into account the risk management measures implemented and their level of maturity.

5.2.4 Implementation report and actions planned for 2025

In 2024, the main progress in the Duty of Care Plan was to strengthen compliance with regulatory obligations, notably through:

- the creation of a Group risk framework specific to the duty of care;
- the use of new, more accurate risk mapping tools based on external data to better identify and analyze potential gross risks;
- the improvement of supplier and subcontractor assessment procedures, with individual monitoring of those identified as higher risk and for which action plans are implemented;
- the development and publication of a Group Human Rights Policy, which provides a framework that empowers each employee to ensure that potential risks are identified and controlled before new procedures are adopted, new projects launched or new transactions completed. A human rights guide has also been drawn up to facilitate the operational implementation of this policy;
- the assessment of the maturity of subsidiaries and their resources through a questionnaire, the results of which will, among other things, contribute to the Group's thinking on how to strengthen duty of care governance;
- greater transparency towards stakeholders by publishing more details of the actions taken under the Duty of Care Plan;
- a link between work for the Duty of Care Plan and the double materiality assessment carried out under sustainability obligations (CSRD).

In 2025, in a continuous improvement approach, Safran will focus its actions on:

- the implementation of a Group duty of care procedure integrated into the "One Safran" management system (see section 1.3 of the full version of the Duty of Care Plan available on the Group's website) and the controls associated with the establishment of a control and audit plan;
- the net analysis of priority gross risks for entities covered by the 2024 mapping campaign. This analysis will take into account the effectiveness of the risk management measures in place. This risk mapping and processing work will be extended to the Group's tier-two entities;
- the translation of the human rights guide into new languages;
- support for buyers in evaluating suppliers and implementing action plans;
- the alignment of the Group's duty of care with its other policies and procedures, including export controls to protect human rights and fundamental freedoms.



6

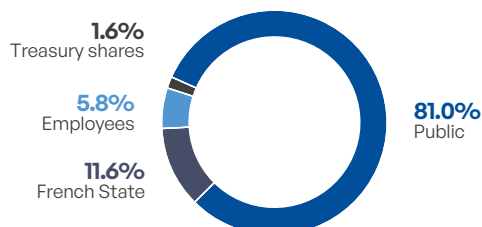
INFORMATION ABOUT THE COMPANY, THE CAPITAL AND SHARE OWNERSHIP

6.1	GENERAL INFORMATION AND BYLAWS AFR	452	6.3	SHARE OWNERSHIP AFR	465
6.1.1	General information	452	6.3.1	Breakdown of share capital and voting rights	465
6.1.2	Principal provisions of the bylaws	453	6.3.2	Breakdown of share ownership	465
6.1.3	Information on investments	457	6.3.3	Change in the breakdown of share capital and voting rights over the last three years	466
6.1.4	Relations with related parties	457	6.3.4	Disclosure thresholds	466
6.2	INFORMATION ON SHARE CAPITAL AFR	460	6.3.5	Control of the Company – shareholders’ agreement	467
6.2.1	Share capital	460	6.3.6	Agreements whose implementation could lead to a change in control of the Company	468
6.2.2	Authorizations granted to the Board of Directors with respect to share capital increases	460	6.3.7	Employee shareholders	468
6.2.3	The Company’s securities	460	6.3.8	Temporary transfer of Safran shares	468
6.2.4	History of the share capital since 2005	461	6.4	RELATIONS WITH SHAREHOLDERS	469
6.2.5	Pledging of shares	462	6.4.1	Accessible information	469
6.2.6	Treasury shares	462	6.4.2	Relations with institutional investors and financial analysts	469
6.2.7	Share buyback programs	462	6.4.3	Relations with individual shareholders	469
6.2.8	Objectives of the share buyback program	464	6.4.4	Provisional 2025 shareholders’ calendar	469
			6.4.5	Group investor relations contacts	470
			6.5	STOCK MARKET INFORMATION AFR	470
			6.6	CREDIT RATINGS	470

FOREWORD

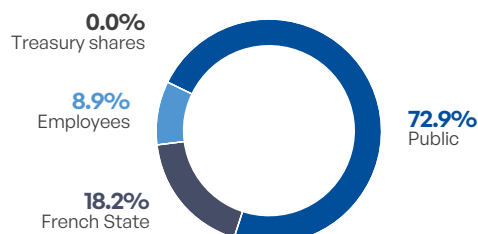
At December 31, 2024, Safran's share capital amounted to €84,726,517.40, comprising 423,632,587 fully paid-up shares, all of the same class, with a par value of €0.20 each.

BREAKDOWN OF SHARE CAPITAL AT DECEMBER 31, 2024*



* Based on the 423,632,587 shares making up the Company's capital at December 31, 2024.

BREAKDOWN OF EXERCISABLE VOTING RIGHTS AT DECEMBER 31, 2024*



* On the basis of 423,632,587 shares making up the Company's capital and 531,919,583 exercisable voting rights at December 31, 2024.

SAFRAN SHARE PRICE

Main stock market data over three years	2022	2023	2024
NUMBER OF SHARES AT DECEMBER 31	427,245,970	427,260,541	423,632,587
SAFRAN SHARE PRICE (in €)			
High	120.10	168.80	228.60
Low	87.90	116.60	156.68
Closing	116.92	159.46	212.10
MARKET CAPITALIZATION AT DECEMBER 31 (in € millions)	49,954	68,131	89,852

6.1 GENERAL INFORMATION AND BYLAWS

6.1.1 General information

Corporate name

Safran

Registered office

2, boulevard du Général-Martial-Valin, 75015 Paris – France.
Tel.: +33 (0)1 40 60 80 80

Legal form

Safran is a French société anonyme (joint-stock corporation).

Registration

The Company is registered with the Paris Trade and Companies Registry under number 562 082 909.

Its legal entity identifier (LEI) is 969500UIC89GT3UL7L24.

Fiscal year

The fiscal year begins on January 1 and ends on December 31.

Incorporation date and term

The Company was incorporated on August 16, 1924.

The Company's term, which was initially set at 99 years from the date of registration with the Trade and Companies Registry, i.e., expiring on August 28, 2023, was extended by decision of the Extraordinary Shareholders' Meeting of May 25, 2022 (16th resolution) for a term of 99 years from the date of said Meeting, i.e., until May 24, 2121, unless said term is extended or the Company is wound up in advance.

Corporate purpose

Under Article 3 of the bylaws, the Company's purpose, in any and all countries, for its own account, on behalf of third parties, or directly or indirectly in conjunction with third parties, is to carry out research, design, development, testing, manufacturing, sales, maintenance and support operations for high-technology activities, and notably for:

- all aviation and aerospace activities for the civilian and military markets;
- all air, land and naval defense activities;
- and generally, to conduct any and all transactions of a commercial, industrial or financial nature or involving movable assets or real estate that relate directly or indirectly to the above corporate purpose or to anything incidental or conducive to the achievement of said corporate purpose.

6.1.2 Principal provisions of the bylaws

6.1.2.1 Board of Directors

Membership structure

Under the terms of Article 14 of the bylaws, the Company is administered by a Board of Directors with at least three and no more than 14 members, including, where applicable, a representative appointed by the French State and/or Directors put forward by the French State in accordance with Articles 4 and/or 6 of *ordonnance* no. 2014-948 of August 20, 2014 regarding the governance of companies in which the French State has a stake and regarding corporate actions involving these companies.

The maximum number of 14 Board members may be increased to allow for the inclusion of Directors representing employee shareholders, appointed as provided for in Article 14.8 of the bylaws, and Directors representing employees, appointed as provided for in Article 14.9 of the bylaws.

The Board of Directors appoints a Chairman and, if applicable, a Vice-Chairman from among its members, who must be individuals.

Representatives of employee shareholders

The Safran Board of Directors includes one or several Directors representing employee shareholders, who are elected by the Annual General Meeting in accordance with Article 14.8 of the bylaws.

Representatives of employees

In accordance with the law on securing employment of June 14, 2013, the Safran Board of Directors includes Directors representing employees, who are elected under Article 14.9 of the Company's bylaws.

Shareholding

Under Article 14.5 of the bylaws, each member of the Board of Directors shall be required to own a certain number of shares in the Company for his/her entire term of office in accordance with the terms and conditions set down in the Board of Directors' Internal Rules.

As an exception, this shareholding obligation shall not apply to the representative of the French State and/or Directors put forward by the French State in accordance with Articles 4 and/or 6 of aforementioned French government (order) 2014-948 of

August 20, 2014, or Directors representing employees or Directors representing employee shareholders. However, under Article 14.8 of the bylaws, each Director representing employee shareholders shall be required to hold – either individually or through a corporate mutual fund set up as part of the Group's employee share ownership program – at least one share or a number of units in the fund equivalent to at least one share.

Term of office – age limit

Members of the Board of Directors are appointed by the Ordinary Shareholders' Meeting for a term of four years, ending at the close of the Ordinary Shareholders' Meeting held during the year in which their term of office expires in order to approve the financial statements for the previous year. Members of the Board of Directors may be re-appointed, it being specified that:

- the number of Directors (both individuals and permanent representatives of legal entities) over the age of 70 may not exceed one-quarter of the total number of Directors in office, rounded up to the nearest whole number where appropriate;
- no Director over the age of 70 may be appointed if such appointment would raise the number of Directors over the age of 70 to more than one-quarter of the total number of Directors in office, rounded up to the nearest whole number where appropriate;
- if the number of Directors over the age of 70 exceeds one-quarter of the total number of Directors in office, and if no Director over the age of 70 resigns, the oldest Board member shall automatically be deemed to have resigned.

At the Annual General Meeting of May 22, 2025, shareholders will be invited to amend the Company's bylaws to provide that, notwithstanding the foregoing, the Board of Directors may propose that the shareholders appoint or re-appoint one or more Directors for a term of less than four years, in particular to enable Directors' terms of office to be staggered in such a way as to avoid all of the Directors' having to be re-appointed at the same time, in accordance with the recommendations of the AFEP-MEDEF Code (see section 7.2.2.1).

Article 15 of the bylaws stipulates that the duties of the Chairman and Vice-Chairman shall end no later than at the close of the first Ordinary Shareholders' Meeting following the date on which they reach the age of 75.

Meetings

Under the terms of Article 18 of the bylaws, the Board of Directors shall meet as often as required in the interests of the Company and at least four times a year. Meetings shall be called by the Chairman, or if he is unable to do so, by the Vice-Chairman.

If the Board has not met for more than two months, a group of at least one-third of the Directors may ask the Chairman to call a meeting to discuss a specific agenda.

The Chief Executive Officer or the Deputy Chief Executive Officer(s) may also request that the Chairman call a Board meeting to consider a specific agenda.

In both of these cases, the Chairman is bound by such requests and must call a Board meeting within seven days of receiving the request (or within a shorter timeframe in urgent matters).

Board meetings shall only be validly constituted if at least half of the Directors are present.

Directors who participate in Board meetings by videoconference or any other telecommunications media that comply with the technical criteria set in the applicable laws and regulations shall be considered as being physically present for the purposes of calculating the quorum and voting majority, in accordance with the terms and conditions set out in the Board of Directors' Internal Rules.

Directors may give written proxy to another Director to represent them at Board meetings, provided that no Director holds more than one proxy at any single meeting.

The Company's bylaws provide that the Board of Directors may make decisions by way of written consultation, where permitted by law (Article 18.12). At the Annual General Meeting of May 22, 2025, the shareholders will be invited to amend this article to allow the use of written consultation for all decisions and, in addition, to grant any member of the Board of Directors the right to object to the use of a written consultation (see section 7.2.2.1).

Powers

Under Article 19 of the bylaws, the Board of Directors shall determine the Company's overall business strategy and oversee its implementation. Subject to the powers directly vested in Shareholders' Meetings (appointment of Directors and Statutory Auditors, approval of the financial statements and related-party agreements, decisions that amend the bylaws), the Board is responsible for dealing with all matters concerning the efficient running of the Company, and for making all related decisions, within the scope of the Company's corporate purpose.

Subject to the applicable laws and regulations and the terms and conditions set out in the Board of Directors' Internal Rules, the roles and responsibilities of the Board of Directors shall include, but shall not be limited to:

- calling the Annual General Meeting and setting its agenda;
- approving the Group's annual budget presented by the Chief Executive Officer as well as any amendments thereto;
- approving the Group's medium-term business plan;
- approving the financial statements of the Company and the Group and deciding on the wording of the annual management report;
- authorizing related-party agreements governed by Article L.225-38 of the French Commercial Code (Code de commerce);
- selecting the Company's management structure;

- appointing and removing from office (i) the Chairman of the Board of Directors, and the Vice-Chairman (if any), and (ii) the Chief Executive Officer and, on the recommendation of the Chief Executive Officer, the Deputy Chief Executive Officer(s) (if any);
- determining the powers of the Chief Executive Officer and, in agreement with the Chief Executive Officer, of the Deputy Chief Executive Officer(s) (if any);
- appointing Directors prior to ratification by shareholders;
- setting the compensation payable to the Chairman of the Board of Directors and the Vice-Chairman (if any), and the Chief Executive Officer and the Deputy Chief Executive Officer(s) (if any);
- appointing the members of the Audit and Risk Committee and the members of any other Board committees set up in accordance with the provisions of the bylaws and the Board of Directors' Internal Rules;
- allocating among its members the aggregate annual amount of compensation allocated to the Directors as consideration for their duties (formerly "attendance fees");
- deciding on issues of debt securities not carrying rights to shares;
- deciding whether to allocate compensation to any Board Advisors (censeurs);
- giving the Chief Executive Officer authorization (which may be delegated) to grant guarantees, endorsements and sureties, in accordance with conditions set by the Board.

In addition to the legal and regulatory requirements concerning prior authorizations that must be obtained from the Board of Directors, a number of specific transactions must also be approved by the Board before they can be carried out by the Chief Executive Officer or a Deputy Chief Executive Officer, as required by the internal procedures of the Company and Group. These transactions are listed in the Board of Directors' Internal Rules (see sections 2.1.4.2 and 2.3.1).

The Board of Directors shall perform any checks and controls that it deems appropriate, carried out by its Chairman. Each Director shall be provided with all the information required to carry out his/her duties and may request any documents he or she deems useful.

Aggregate Compensation awarded to the Directors as consideration for their duties

Under Article 17 of the bylaws, at the Annual General Meeting, the Company's shareholders shall set the aggregate annual amount of compensation allocated to the Directors as consideration for their duties, effective for the current year and, if appropriate, subsequent years until the shareholders decide otherwise.

The Board of Directors shall allocate the Aggregate Compensation among its members as it deems fit, in accordance with the compensation policy for Directors (see section 2.6.2.3).

Board Advisors

Under Article 20 of the bylaws, shareholders in an Ordinary Shareholders' Meeting may appoint up to two Board Advisors (censeurs) to attend Board meetings in an advisory capacity. However, if the French State's interest in the Company's capital falls below 10%, the French State would automatically be entitled to appoint a Board Advisor and the maximum number would be increased to three. Board Advisors are appointed for four years and may be re-appointed. Any Board Advisor reaching the age of 70 shall be deemed to have resigned.

Executive Management

Under Article 21 of the bylaws, the Company's management shall be placed under the responsibility of either:

- the Chairman of the Board of Directors; or
- another individual appointed by the Board, who shall hold the title of Chief Executive Officer and who may or may not be a Director.

Under Article 22 of the bylaws, the Chief Executive Officer shall have the broadest powers to act in all circumstances in the Company's name. The Chief Executive Officer shall exercise these powers within the scope of the Company's corporate purpose, and subject to:

- the powers expressly vested by the applicable laws and regulations in Shareholders' Meetings and the Board of Directors; and
- any restrictions placed on his powers and any matters that require the prior approval of the Board of Directors in accordance with the Board of Directors' Internal Rules.

The Board of Directors shall determine compensation payable to the Chief Executive Officer and the length of his term of office. The age limit for the Chief Executive Officer is set at 68 years.

Deputy Chief Executive Officer(s)

Under Article 23 of the bylaws, at the proposal of the Chief Executive Officer, the Board of Directors may appoint up to three Deputy Chief Executive Officers (who may or may not be Directors) to assist the Chief Executive Officer in his duties.

In agreement with the Chief Executive Officer, the Board of Directors shall determine the scope and duration of the powers vested in the Deputy Chief Executive Officer(s). The Board of Directors shall also set their compensation, in accordance with Article 24 of the bylaws.

The Deputy Chief Executive Officer(s) shall have the same powers as the Chief Executive Officer with respect to third parties.

The age limit for holding office as Deputy Chief Executive Officer is set at 68 years.

6.1.2.2 General Shareholders' Meetings

Convening and participating

General Shareholders' Meetings shall be called in accordance with the applicable laws and regulations.

The conditions for the participation of shareholders in General Meetings are governed by the legal provisions and regulations in effect and by Articles 30 *et seq.* of Safran's bylaws. Any shareholder, regardless of the number of shares held, is entitled to attend General Meetings, on proof of identity and of his/her capacity as a shareholder, provided that the shareholder's shares are registered in his/her name in Safran's share register managed by Uptevia, or in the securities accounts managed by the authorized intermediary, no later than zero hours (CET) on the second business day preceding the meeting.

Proxy/postal voting forms for General Shareholders' Meetings may be sent in paper form or, by decision of the Board of Directors published in the notice of meeting, by electronic mail in accordance with the applicable laws and regulations.

Where a shareholder electronically submits a proxy or postal voting form, the shareholder's signature must be a secure electronic signature or be subject to a reliable identification procedure to ensure signature security, for example by registering a unique identification code and password.

Shareholders who have not paid up the amounts due on their shares within 30 days of a notice to pay issued by the Company shall not be entitled to participate in General Shareholders' Meetings and the shares concerned shall be deducted from the total of the Company's outstanding shares for the purposes of calculating the quorum.

Exercising voting rights – double voting rights – restriction on voting rights

Under Article 31 of the bylaws, each shareholder shall have a number of votes corresponding to the number of shares held or represented by proxy, unless otherwise provided for in the applicable laws or regulations. However, all fully paid-up shares registered in the name of the same holder for at least two years shall carry double voting rights (Article 31.8 of the bylaws).

In the event of a capital increase paid up by capitalizing retained earnings, profits or additional paid-in capital, the registered bonus shares allocated in respect of shares carrying double voting rights shall also carry double voting rights.

Double voting rights shall be forfeited if registered shares are converted into bearer shares or transferred. However, registered shares shall not be stripped of double voting rights and the qualifying period shall continue to run following a transfer of shares included in the estate of a deceased shareholder, or in connection with the settlement of the marital estate, or an inter vivos gift to a spouse or a relative in the direct line of succession.

Any merger or demerger of the Company shall have no impact on double voting rights, which may be exercised in the surviving company if its bylaws so provide.

In accordance with the law, double voting rights may not be abolished by the Extraordinary Shareholders' Meeting unless this decision is first approved by a special meeting of holders of shares with double voting rights.

Under Article 31.12 of the bylaws, no shareholder may exercise more than 30% of the total voting rights attached to all of the Company's shares. The voting rights exercised by a shareholder for this purpose shall include the voting rights exercised directly by the shareholder himself/herself and in the capacity as proxy for another shareholder that are attached to shares (i) that he/she holds directly or indirectly and (ii) that are owned by another shareholder for which he/she is acting as proxy.

For the purposes of these provisions:

- the total number of voting rights attached to the Company's shares taken into account shall be calculated as at the date of the General Shareholders' Meeting concerned and the shareholders shall be informed thereof at the start of the meeting;
- the number of voting rights held directly or indirectly shall mean those voting rights attached to shares held by:
 - a private individual, either personally or as part of jointly-owned property, or
 - a company, group of entities, association or foundation, as well as voting rights attached to shares held by a company that is controlled – within the meaning of Article L.233-3 of the French Commercial Code – by a company, private individual, association, group of entities or foundation;

- the restrictions set out above shall not include voting rights exercised by the Chairman of a General Shareholders' Meeting when said voting rights are (i) attached to shares for which a proxy form has been returned to the Company without any named proxy, and (ii) do not individually infringe the specified restrictions.

The restrictions provided for above shall automatically become null and void, without the requirement for a new decision by shareholders in an Extraordinary Shareholders' Meeting, in the event that an individual or entity – acting alone or in concert with one or more other individuals or entities – acquires an interest in the Company representing two-thirds of the Company's capital or voting rights following a public tender offer for all of the Company's shares.

6.1.2.3 Rights, preferences and restrictions attached to shares

Under Article 9 of the bylaws, fully paid-up ordinary shares may be held either in registered or bearer form, at the shareholder's discretion, subject to compliance with the provisions of the applicable laws and regulations and the Board of Directors' Internal Rules concerning the form of shares held by certain categories of shareholder.

Under Article 12 of the bylaws, each share shall entitle its holder to a proportion of the Company's profits, net assets and any liquidation surplus equal to the proportion of capital represented by the share.

Where a shareholder must own a specific number of shares to exercise a particular right, notably in the event of an exchange or allocation of shares, a stock-split, reverse stock-split, a capital increase or reduction, a merger, demerger, partial asset transfer, dividend payment or any other corporate action, any shares held that fall below the required number shall not confer any rights on their holders with respect to the Company, and the shareholders concerned shall be personally responsible for obtaining the necessary number of shares or rights, including through purchases or sales of shares or rights where required.

6.1.2.4 Conditions governing changes to share capital and shareholders' rights

The Company's bylaws do not require that the conditions to change share capital and shareholders' rights be more restrictive than prevailing legislation. These changes are subject to the approval of the shareholders at the Extraordinary

Shareholders' Meeting deliberating in accordance with the rules of quorum and majority set out in the applicable laws and regulations.

6.1.2.5 Disclosure obligation in the event of exceeding the threshold for ownership set out in the bylaws

Under Article 13 of the bylaws, in addition to the disclosures required under the applicable laws and regulations when certain ownership thresholds are crossed, any person or legal entity, acting alone or in concert with others, that becomes the owner – directly or indirectly through one or more companies controlled by said person or entity within the meaning of Article L.233-3 of the French Commercial Code – of 1% or more of the Company's capital or voting rights or any multiple thereof, as calculated in accordance with Articles L.233-7 and L.233-9 of the French Commercial Code and the General Regulations of the French financial markets authority (*Autorité des marchés financiers* – AMF), must notify the Company of the total number of shares and voting rights held as well as the total number of securities held that carry deferred rights to the Company's capital and the potential voting rights attached thereto. Said notification shall be sent to the Company by registered letter with recorded delivery within four trading days of the relevant threshold being crossed.

The same disclosures are required – within the same timeframe and in accordance with the same conditions – in cases where a shareholder's interest falls below any of the thresholds referred to above.

The sanctions provided for by law in the event of a failure to comply with the disclosure requirements applicable when a legal threshold is crossed shall also apply if a shareholder does not comply with the disclosure requirements applicable in the bylaws, where requested by one or more shareholders holding at least 5% of the Company's capital or voting rights (with said request duly recorded in the minutes of the relevant General Shareholders' Meeting).

6.1.2.6 Provisions that could delay, postpone or prevent a change in control of the Company

The provisions of the bylaws or other contractual documents related to the Company that could delay, postpone or prevent a change in the Company's control are as follows: (i) the granting of double voting rights to any shareholder owning fully paid-up shares which the shareholder must prove have been registered

in the name of the same shareholder for at least two years, (ii) the restriction on voting rights provided for by Article 31.12 of the bylaws (see section 6.1.2.2), (iii) an agreement between Safran and the French State (see section 6.1.4.2).

6.1.3 Information on investments

6.1.3.1 Direct and indirect investments as of December 31, 2024

The direct and indirect investments which meet the criteria defined by the European Securities and Markets Authority (ESMA) in its March 2013 recommendation are set out in section 3.1, Note 9 and section 3.3, Note 3.1.

6.1.3.2 Investments

In accordance with the provisions of Article L.233-6 of the French Commercial Code, in 2024 Safran acquired the following investments:

- Safran Electronics & Defense acquired the entire share capital and all of the voting rights of Preligens, now Safran.AI;
- Safran Aerosystems acquired the entire share capital and all of the voting rights of Aerospace & Defense Oxygen Systems;
- Safran Aerocomposites acquired the entire share capital and all of the voting rights of Aero Sud Ouest;
- Safran Corporate Ventures acquired 12.55% of the share capital of MirSense.

6.1.4 Relations with related parties

Related parties (as defined by the Group in accordance with IAS 24) and quantitative information concerning related-party transactions are presented in section 3.1, Note 8.2.

6.1.4.1 Relations with the French State

In 2024, Safran generated adjusted revenue of €1,319 million with the French State and entities in which it has interests, primarily in military areas.

The Propulsion business (see section 1.2.1) develops, manufactures and maintains aircraft engines for the French armed forces. It is the industrial prime contractor for this equipment in major aviation projects.

In the Equipment & Defense business (see section 1.2.2):

- Safran participates in major French military aviation programs, both in terms of landing gear and braking systems and of safety systems;
- Safran provides the following equipment and related services to the French Armed Forces:
 - portable and onboard optical and optronic equipment for soldiers, land vehicles, aircraft, helicopters, drones, ships, submarines and satellites,
 - space surveillance systems and services,
 - tactical drones,
 - onboard and ground artificial intelligence equipment, components and systems for mission preparation and recording, data collection and processing (flight conditions, tests, training, intelligence, etc.),

- critical ECUs and engine control systems,
- independent positioning, navigation, timing and guidance systems for all types of aircraft, vehicles and engines,
- cockpit systems, piloting controls and electromechanical actuation for airplanes and helicopters,
- missile guidance seekers and high-precision modular air-to-ground weapon systems,
- equipment for dismounted soldiers, including parachute systems (for troops and heavy cargo),
- safety and survival equipment for air crews (combat vests, life rafts, anti-G pants, waterproof suits),
- complete fuel systems (for aircraft, helicopters and missiles) including fuel gauging, fuel circulation and fuel inerting systems,
- in-flight refueling nacelles and engine equipment,
- onboard oxygen generation, storage and regulation systems for aircraft and ground support equipment.

6.1.4.2 Agreement with the French State relating to strategic assets and subsidiaries

In order to protect national interests and preserve national independence, and in the context of the proposed combination of Sagem and Snecma's businesses through the merger of these two companies, the French State reminded these companies of its right to a "golden share" with regard to Snecma of the kind defined in Article 10 of Law 86-912 of August 6, 1986. In exchange for the waiver of this right to a "golden share", the French State required sufficient contractual rights to ensure national interests are protected.

In view of this, a three-way agreement in lieu of a "golden share" was entered into by Sagem and Snecma (now Safran) and the French State on December 21, 2004 (the "2004 Agreement").

In view of the 2005 merger of Snecma and Sagem that led to the creation of Safran, and the various transactions completed by Safran since that date which have substantially altered the Group's scope, Safran and the French State decided to amend the 2004 Agreement with six successive Amendments between 2011 and 2016.

In 2018, Safran and the French State wished to consolidate the 2004 Agreement and its amendments into a single document (the "Agreement") and to update its contents.

The new Agreement was signed on March 26, 2018, canceling and replacing the 2004 Agreement as from that date. It was authorized by the Board of Directors on March 22, 2018 and approved by the Annual General Meeting on May 25, 2018.

The Agreement notably provides as follows:

On corporate governance matters:

- Safran's competent bodies shall be invited to appoint the French State as a Director if its interest in the Company's share capital is less than 10% but more than 1%;
- Safran's competent bodies shall in addition be invited to appoint a member proposed by the French State to the Board of Directors if its interest in the Company's share capital is more than 5%, and the shareholders will thus be invited to approve the terms of office of these Directors;
- at the request of the French State, the Board of Directors shall be invited to appoint one of the persons referred to above to any Board committees that may be set up for the purpose of addressing matters directly related to its rights under the Agreement;
- the French State shall be entitled to appoint a non-voting representative to the Boards of Directors or equivalent bodies of Safran's strategic subsidiaries (Safran Ceramics and Safran Power Units) and subsidiaries owning sensitive defense assets.

On strategic or sensitive defense assets and the entities that hold such assets:

- the French State shall have a prior right of approval over:
 - sales of assets (other than those that do not affect the defense activities) owned by strategic subsidiaries and accordingly identified as strategic; sales of shares in strategic subsidiaries Safran Ceramics and Safran Power Units; and sales of shares in ArianeGroup Holding,

- sales of certain assets identified as defense sensitive (such as engines, components and systems, high precision inertial navigation and missile guidance systems, financed directly or indirectly by the French Defense Ministry) owned by Group entities,
- sales of shares in Safran Electronics & Defense, which owns sensitive defense assets,
- acquisitions of interests resulting in a holding of more than 33.33% or more than 50% of the share capital or voting rights of the other Group companies that own sensitive defense assets,
- projects conferring special management or information rights over strategic or sensitive defense assets or rights of representation on the administrative or management bodies of Safran Ceramics, Safran Power Units, ArianeGroup Holding or another entity owning sensitive defense assets controlled by Safran;

the French State's failure to respond within a period of 30 business days shall be deemed to constitute agreement, except in the case of proposals to sell shares in ArianeGroup Holding, in which case failure to respond shall be deemed to constitute refusal;

- the French State shall be informed beforehand of any proposal by a strategic subsidiary or an entity controlled by Safran that owns sensitive defense assets to sell assets that do not fall into these protected categories but whose sale could have a material impact on the independent management on French territory of the entity's strategic assets or sensitive defense assets;
- in the event a third party acquires more than 10% or a multiple of 10% of the capital or voting rights of Safran, and failing an agreement on other ways of protecting national interests in connection with the strategic assets, the French State shall be entitled to purchase the securities and assets of the strategic subsidiaries Safran Ceramics and Safran Power Units and the stake in ArianeGroup Holding at a price to be set by a panel of experts.

6.1.4.3 Other related-party agreements

Agreement with the French State relating to the sensitive assets of Aubert & Duval

On April 28, 2023, AD Holding (owned by a consortium comprising Safran, Airbus SE and Tikehau Ace Capital) completed its acquisition of all the shares and voting rights held by Eramet SA in Aubert & Duval SAS ("AD SAS").

AD SAS and its subsidiaries directly or indirectly hold assets that are directly related to protecting the French State's strategic interests in materials that are essential for national defense needs in the aviation, naval, land and nuclear sectors and, in particular, preserving innovation, design and production capacities, as well as securing the supply of such materials.

Consequently, in order to protect France's essential interests, by way of a decree dated August 25, 2022⁽¹⁾, the French State created a specific share in AD SAS (the "Specific Share") covering the sensitive assets of AD SAS or any company to which its rights and obligations are transferred, or any subsidiary that it controls – within the meaning of Article L.233-3 of the French Commercial Code – which replaced the specific share previously held by the French State within Eramet SA⁽²⁾.

Furthermore, it has been agreed between Safran, Airbus SE, Tikehau Ace Capital and the French State that an agreement (the "AD Agreement") is necessary for the Specific Share, in order to ensure full protection of France's national interests and therefore the continuity of AD SAS' sovereignty-related operations and give the French State:

- rights over the ownership and, where applicable, the devolution of all or part of the sensitive defense assets defined in the AD Agreement; and
- rights of representation on the governing bodies of AD Holding and, where applicable, AD SAS.

(1) Decree no. 2022-1182 dated August 25, 2022, creating a specific share in the capital of Aubert & Duval SAS.

(2) Decree no. 2022-206 dated February 18, 2022, creating a specific share in the capital of Eramet SA, repealed by decree no. 2022-1182 dated August 25, 2022.

In particular, the AD Agreement provides for:

Protection scope:

- assets identified as sensitive defense assets that are essential for national defense needs in the aviation, naval, land and nuclear sectors;
- shares in AD Holding, AD SAS and its subsidiaries, as well as interests held directly or indirectly by AD SAS, or any company to which its rights and obligations are transferred, if said company holds or operates an asset identified as a sensitive defense asset ("Protected Sector Interests").

On corporate governance matters:

- the French State shall be entitled to appoint a non-voting representative to the Board of Directors of AD Holding and, where applicable, the Board of Directors of AD SAS, if there is one.

On sensitive assets and entities holding such assets:

- the French State shall have a prior right of approval over:
 - any proposal to sell sensitive defense assets to a third party,
 - any proposal from a third party to purchase shares in AD Holding, AD SAS, its subsidiaries and Protected Sector Interests,
 - any proposal to sell all or part of the interest held by AD Holding in AD SAS to a third party,
 - any proposal to confer rights on a third party for the purpose of transferring expertise, technology or intellectual property rights related to a sensitive defense asset or to confer rights of representation on the administrative or management bodies of AD Holding or AD SAS.

Failure by the French State to respond within one month (renewable once) shall be deemed to constitute agreement;

- the French State shall be informed beforehand of any proposal to change the distribution of AD Holding's share capital between Airbus SE, Safran SA and Tikehau Ace Capital or of any proposal to restructure AD Holding or AD SAS;
- if the French State establishes that AD Holding or AD SAS has failed to comply with the essential obligations undertaken in respect of the French State in the AD Agreement (in particular, failure to comply with the above-mentioned right of approval or the rights linked to the Specific Share), and that such non-compliance continues for more than three months after notification is received from the French State, the French State may acquire all or part of the sensitive defense assets at a price to be set by a panel of experts.

The AD Agreement was authorized by Safran's Board of Directors on February 23, 2022 (the representative of the French State and the Director put forward by the French State did not take part in the vote).

It was signed on July 22, 2022 and came into effect when AD Holding's acquisition of AD SAS was completed, i.e. April 28, 2023.

The AD Agreement was approved by the Company's shareholders at the May 25, 2023 Annual General Meeting (see section 8.2.3 of the 2022 Universal Registration Document).

Agreement with the French State concerning the sensitive assets of MaiaSpace, an ArianeGroup subsidiary

A new regulated related-party agreement and an amendment to an existing regulated related-party agreement have been entered into with the French State in 2024:

- new agreement entered into between the French State, ArianeGroup Holding and MaiaSpace, in the presence of Safran, relating to MaiaSpace's sensitive assets; and
- Amendment no. 1 to the agreement entered into on June 24, 2016 between the French State and ArianeGroup Holding, in the presence of Safran, relating to ArianeGroup's protected assets and strategic subsidiaries and interests.

They were authorized by Safran's Board of Directors on December 15, 2023 (the representative of the French State and the Director put forward by the French State did not take part in the vote) and were signed on March 20, 2024.

They were approved by the Company's shareholders at the May 23, 2024 Annual General Meeting (see section 8.2.3 of the 2023 Universal Registration Document).

Other regulated related-party agreements that remained in force in 2024

The related-party agreements authorized in previous years, and which had continuing effect during 2024, are presented in the Statutory Auditors' special report in section 7.3.1 of this Universal Registration Document.

6.2 INFORMATION ON SHARE CAPITAL

6.2.1 Share capital

On December 12, 2024, the Company's capital was reduced by €725,590.80 through the cancellation of 3,627,954 Safran shares held in treasury.

Since that date, Safran's share capital has amounted to €84,726,517.40, comprising 423,632,587 fully paid-up shares, all of the same class, with a par value of €0.20 each.

6.2.2 Authorizations granted to the Board of Directors with respect to share capital increases

The authorizations with respect to share capital increases currently in force, already granted by shareholders to the Board of Directors, are summarized in section 7.2.5 of this Universal Registration Document.

The authorization given to the Board of Directors in the 27th resolution of the May 25, 2023 Annual General Meeting to grant free performance shares was used in March 2023 (see section 7.3.7.1 of the 2023 Universal Registration Document) and March 2024 (see section 6.3.7.1 of this Universal Registration Document).

The other authorizations with respect to share capital increases currently in force, granted to the Board of Directors by the May 25, 2023 Annual General Meeting, were not used in 2024 nor between January 1, 2025 and the filing date of this Universal Registration Document.

6.2.3 The Company's securities

6.2.3.1 Securities not representing capital

Other securities issued by Safran not representing the Company's capital as of the date of this Universal Registration Document are set out in section 3.1, Note 6.3 and section 3.3, Note 3.9.

6.2.3.2 Securities carrying rights to shares of the Company

Bonds convertible into new Safran shares and/or exchangeable for existing Safran shares, due May 15, 2027 (2027 OCEANES)

Conversion and early redemption of 2027 OCEANES

As a reminder, on May 15, 2020 Safran issued 7,391,665 bonds (the "Initial Bonds") convertible into new shares and/or exchangeable for existing shares, due May 15, 2027 ("2027 OCEANES"). On October 12, 2020, Safran carried out a tap issue of 1,847,916 bonds (the "New Bonds") convertible into new shares and/or exchangeable for existing shares. The New Bonds carried the same terms and conditions as the Initial Bonds, with the exception of the issue price. They were fungible with the Initial Bonds, with which they formed a single series of 2027 OCEANES. The background, terms and conditions, purpose and impact of the 2027 OCEANE bond issues are presented in section 7.2.3.2, section 3.1, Note 23.d and section 3.3, Note 3.9 of the 2023 Universal Registration Document and the reports of the Board of Directors and the Statutory Auditors on the 2027 OCEANES presented in section 8.4 of the 2020 Universal Registration Document.

On May 29, 2024, Safran announced that it would redeem all outstanding 2027 OCEANES ahead of term on June 28, 2024. Holders of 2027 OCEANES retain the option of requesting the exercise of their conversion right, in accordance with the terms and conditions of the 2027 OCEANES, up to the seventh trading day (exclusive) preceding the early redemption date, i.e., up to June 19, 2024 (exclusive).

At the early redemption date, of the 9,239,581 2027 OCEANES issued, 9,058,762 had previously been converted, giving rise to the delivery of 9,314,154 existing shares. The 180,819 bonds still outstanding were redeemed at par plus interest accrued since the most recent coupon payment date, i.e., €108.34416 per bond.

At December 31, 2024, there were therefore no 2027 OCEANES still outstanding.

Bonds convertible into new Safran shares and/or exchangeable for existing Safran shares, due April 1, 2028 (2028 OCEANES)

Conversion and early redemption of 2028 OCEANES

As a reminder, on June 14, 2021 Safran issued 4,035,601 bonds convertible into new shares and/or exchangeable for existing shares, due April 1, 2028 ("2028 OCEANES"). The 2028 OCEANES have a par value of €180.89 each.

The background, terms and conditions, purpose and impact of the 2028 OCEANE bond issues are presented in section 3.1, Note 6.3.3 and section 3.3, Note 3.9 of this Universal Registration Document and the reports of the Board of Directors and the Statutory Auditors on the 2028 OCEANES presented in section 8.4 of the 2021 Universal Registration Document.

At the Annual General Meeting of May 23, 2024, the shareholders approved a dividend payment of €2.20 per share. The ex-dividend date was May 28, 2024 and the record date was May 29, 2024. Consequently and in accordance with the terms and conditions of the 2028 OCEANES, the 2028 OCEANE conversion ratio – previously 1.003 Safran shares for 1 OCEANE bond – was adjusted to 1.009 Safran shares for 1 OCEANE bond, effective May 30, 2024 (see Note 18 “Consolidated shareholders’ equity” in chapter 2 of the 2024 Interim Financial Report).

At December 31, 2024, the 4,035,601 2028 OCEANES issued were still outstanding.

In the event that Safran decided to provide only new shares upon the exercise of the conversion rights for all the 2028 OCEANES, the maximum dilution as estimated based on the Company’s capital and the 2028 OCEANE conversion ratio at December 31, 2024 would be 0.96%.

On February 28, 2025, Safran announced that it would redeem all outstanding 2028 OCEANES ahead of term on April 1, 2025. They will be redeemed at par value, i.e., €180.89 per bond. Holders of 2028 OCEANES retain the option of requesting the exercise of their conversion right, in accordance with the terms and conditions of the 2028 OCEANES, up to the seventh trading day (exclusive) preceding the early redemption date, i.e., up to March 21, 2025 (exclusive). All 2028 OCEANES for which the holders have not requested the exercise of their conversion right, in accordance with the terms and conditions of the 2028 OCEANES, will be redeemed on April 1, 2025. On February 28, 2025, the conversion rights of 226,496 2028 OCEANES had been exercised and 3,809,105 2028 OCEANES were outstanding.

6.2.4 History of the share capital since 2005

Date	Transaction	Safran share price (in €)	Amount of share capital (in €)	Number of shares	Additional paid-in capital (cumulative, in €)
Situation at December 31, 2024		0.20	84,726,517.40	423,632,587	5,294,589,688.01
December 12, 2024	Capital reduction by canceling treasury shares	0.20	84,726,517.40	423,632,587	5,294,589,688.01
February 28, 2023	Cumulative increases in share capital and additional paid-in capital resulting from the exercise of stock options between January 1, 2023 and February 12, 2023, placed on record on March 6, 2023 (see section 7.3.7.3 of the 2023 Universal Registration Document)	0.20	85,452,108.20	427,260,541	5,294,589,688.01
December 31, 2022	Cumulative increases in share capital and additional paid-in capital resulting from the exercise of stock options in the period to December 31, 2022, placed on record on January 5, 2023	0.20	85,449,194	427,245,970	5,293,026,656.82
December 31, 2021	Cumulative increases in share capital and additional paid-in capital resulting from the exercise of stock options in the period to December 31, 2021, placed on record on January 10, 2021	0.20	85,448,488	427,242,440	5,292,647,993.72
June 30, 2021	Cumulative increases in share capital and additional paid-in capital resulting from the exercise of stock options in the period to June 30, 2020, placed on record on July 7, 2021	0.20	85,447,723.20	427,238,616	5,292,300,002.44
February 13, 2021	Conversion of Class A preferred shares (see section 7.2.1 of the 2021 Universal Registration Document) into ordinary shares (at a ratio of 1 Class A preferred share to 1 ordinary share)	0.20	85,447,187.80	427,235,939	5,292,086,789.53
June 30, 2020	Cumulative increases in share capital and additional paid-in capital resulting from the exercise of stock options in the period to June 30, 2020, placed on record on July 7, 2020	0.20	85,447,187.80	427,235,939	5,292,086,789.53
December 31, 2019	Cumulative increases in share capital and additional paid-in capital resulting from the exercise of stock options in December 2019, placed on record on January 9, 2020	0.20	85,446,831	427,234,155	5,291,895,416.85
December 19, 2019	Capital reduction by canceling treasury shares	0.20	85,446,697.20	427,233,486	5,291,823,656.22

Date	Transaction	Safran share price (in €)	Amount of share capital (in €)	Number of shares	Additional paid-in capital (cumulative, in €)
November 30, 2019	Cumulative increases in share capital and additional paid-in capital resulting from the exercise of stock options in the period to November 30, 2019, placed on record on December 19, 2019	0.20	87,159,268.40	435,796,342	5,291,823,656.22
December 17, 2018	Capital reduction by canceling treasury shares	0.20	87,153,590.20	435,767,951 ⁽¹⁾	5,289,486,113.84
December 1, 2018	Merger of Zodiac Aerospace into Safran	0.20	89,434,167	447,170,835 ⁽¹⁾	5,289,486,113.84
February 13, 2018	Settlement of Class A Preferred Shares delivered in exchange as part of the Safran subsidiary exchange offer for Zodiac Aerospace shares	0.20	88,736,128.60	443,680,643 ⁽¹⁾	5,289,486,113.84
May 11, 2005	Merger of Snecma into Sagem SA, now Safran	0.20	83,405,917	417,029,585	3,051,330,263
March 17, 2005	Settlement of Sagem shares delivered in exchange as part of the Sagem public exchange offer for Snecma shares	0.20	73,054,834	365,274,170	3,051,330,263

(1) Including 26,651,058 Class A Preferred Shares (see section 7.2.1 of the 2021 Universal Registration Document).

6.2.5 Pledging of shares

To the best of the Company's knowledge, 236,661 shares representing 0.06% of the share capital were pledged at December 31, 2024, compared with 1,069,803 shares representing 0.25% of the share capital at December 31, 2023.

6.2.6 Treasury shares

SITUATION AT DECEMBER 31, 2024

	Number of shares	% share capital	Carrying amount as of Dec. 31, 2024 (in €)	Total nominal value (in €)
Treasury shares, held directly	6,857,467	1.62	1,156,014,509.60	1,371,493.40
Treasury shares, held indirectly	-	-	-	-
TOTAL	6,857,467	1.62	1,156,014,509.60	1,371,493.40

6.2.7 Share buyback programs

The Annual General Meeting of May 23, 2024, in its 16th resolution, authorized the Board of Directors, for a period of 18 months, to set up a share buyback program with the following main characteristics:

Purpose of the program:

- to maintain a liquid market in the Company's shares via a liquidity agreement that complies with the Code of Ethics drawn up by the French association of financial and investment firms (*Association française des marchés financiers* – AMAFI) approved by the AMF, and entered into with an investment services firm;
- for allocation or sale to employees and/or corporate officers of the Company or other Group companies, in accordance with the terms and conditions provided for by law, notably in connection with a profit-sharing plan, free share grants, the exercise of stock options, the Group employee savings plan, or any company employee savings plan in place within the Group;
- for delivery on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;

- to hold shares in treasury for subsequent delivery as payment or exchange for external growth transactions;
- for cancellation, pursuant to the authorization in effect granted by the Annual General Meeting.

Maximum percentage of share capital to be bought back:

- 10% of share capital.

Maximum purchase price per share:

- €300.

Total maximum amount that may be invested in the share buyback program:

- €12.8 billion.

At May 23, 2024, this program had terminated the previous share buyback program authorized by the Annual General Meeting of May 25, 2023 (18th resolution), with the same objectives, a maximum purchase price of €175 per share, and a total maximum amount of €7.4 billion to be invested in the buyback program.

6.2.7.1 Treasury share transactions in 2024

Share buybacks

In 2024, Safran:

- entered into an agreement with an investment services provider on January 12, 2024 to buy back a tranche of Safran shares, for up to €450 million between January 16, 2024 and March 1, 2024, for the purpose of (i) being able to redeem the Company's convertible bonds maturing in 2028, if called (2028 OCEANES – see section 6.2.3.2), and (ii) the allocation or sale of shares to employees or officers of Safran or other Group companies. An aggregate 828,201 shares were bought back under this tranche;
- entered into an agreement with an investment services provider on May 29, 2024 to buy back a tranche of Safran shares, for up to €420 million between May 30, 2024 and June 26, 2024, for the purpose of (i) being able to redeem the Company's convertible bonds maturing in 2028, if called (2028 OCEANES – see section 6.2.3.2), and (ii) the allocation or sale of the Company's shares to employees or officers of Safran or other Group entities. An aggregate 2,027,600 shares were bought back under this tranche;
- entered into an agreement with an investment services provider on June 28, 2024 to buy back a tranche of Safran shares, for up to a maximum aggregate amount of €250 million, during the period from July 1, 2024 through September 13, 2024. An aggregate 1,262,036 shares were bought back under this tranche;
- entered into an agreement with an investment services provider on September 20, 2024 to buy back a tranche of Safran shares, for up to a maximum aggregate amount of €500 million, during the period from September 23, 2024 through December 11, 2024. An aggregate 2,365,918 shares were bought back under this tranche.

Liquidity agreement

In February 2019, the Company entered into a new liquidity agreement with Oddo BHF SCA for a period of 12 months, automatically renewable from year to year.

Share buybacks under the liquidity agreement

In 2024, Safran purchased 2,040,579 treasury shares under the liquidity agreement, of which:

- 315,040 shares were purchased between January 1 and May 23, 2024, at an average price of €168.95;
- 1,725,539 shares were purchased between May 24 and December 31, 2024, at an average price of €207.13.

Sales of shares under the liquidity agreement

In 2024, Safran sold 2,019,176 treasury shares under the above-mentioned liquidity agreement, of which:

- 360,675 shares were purchased between January 1 and May 23, 2024, at an average price of €169.51;
- 1,658,501 shares were purchased between May 24 and December 31, 2024, at an average price of €207.78.

Shares held under the liquidity agreement

At December 31, 2024, 115,834 shares were held under the liquidity agreement.

Cancellation of shares

On December 12, 2024, the Company's capital was reduced by €725,590.80 through the cancellation of 3,627,954 Safran shares held in treasury for cancellation.

Delivery of free shares

At its meeting on March 24, 2021, the Board of Directors decided to award 733,640 performance shares to certain managers and senior executives of the Group (2021 Long-Term Incentive Plan). Subject to a continuing service condition, the number of performance shares that were ultimately delivered at the end of the three-year vesting period depended on the extent to which internal and external performance conditions were met over the 2021-2023 period (see sections 6.6.2.2.d and 6.6.4.2.1 of the 2021 Registration Document). At its March 21, 2024 meeting, the Board of Directors placed on record the achievement rates for the performance conditions of the 2021 Long-Term Incentive Plan. Based on the achievement rates, a total of 437,958 ordinary shares were delivered to the plan beneficiaries at end-March 2024 (including 8,692 shares to Olivier Andriès, see section 2.6.3.3.2).

Situation at December 31, 2024

At December 31, 2024, Safran directly held 6,857,467 of its own shares, representing 1.62% of the Company's capital.

These treasury shares were held for the following purposes:

- for allocation or sale to employees: 2,420,426 shares, representing 0.57% of the Company's capital;
- to cover exchangeable debt securities: 4,321,207 shares, representing 1.02% of the Company's capital;
- to maintain a liquid market in the Company's shares via a liquidity agreement: 115,834 shares, representing 0.03% of the Company's capital;
- for cancellation: 0.

Situation at February 28, 2025

At February 28, 2025, Safran directly held 8,155,127 of its own shares, representing 1.93% of the Company's capital.

These treasury shares were held for the following purposes:

- for allocation or sale to employees: 2,420,186 shares, representing 0.57% of the Company's capital;
- to cover exchangeable debt securities: 4,321,207 shares, representing 1.02% of the Company's capital;
- to maintain a liquid market in the Company's shares via a liquidity agreement: 52,795 shares, representing 0.01% of the Company's capital;
- for cancellation: 1,360,939 shares, representing 0.32% of the Company's capital.

6.2.7.2 Description of the share buyback program submitted for approval to the Annual General Meeting of May 22, 2025

Under the 15th resolution, the Annual General Meeting of May 22, 2025 is invited to authorize a new share buyback program (see section 7.2.1.8). Drafted in accordance with the provisions of Article 241-2 of the AMF's General Regulations, the program's description is presented below and will not be published separately pursuant to Article 241-3 of said Regulations.

Information about the number of shares and the percentage of share capital held directly and indirectly by the Company at February 28, 2025 is provided in sections 6.2.6 and 6.2.7.1.

6.2.8 Objectives of the share buyback program

In accordance with Regulation (EU) no. 596/2014 of the European Parliament, the AMF's General Regulations and market practices permitted by the AMF, the objectives of the share buyback program to be approved by the Annual General Meeting of May 22, 2025 are:

- to maintain a liquid market in the Company's shares via a liquidity agreement that complies with the AMAFI Code of Ethics, approved by the AMF, and entered into with an investment services firm;
- for allocation or sale to employees and/or corporate officers of the Company or other Group companies, in accordance with the terms and conditions provided for by law, notably in connection with a profit-sharing plan, free share grants, the exercise of stock options, the Group employee savings plan, or any company employee savings plan in place within the Group;
- for delivery on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- to hold shares in treasury for subsequent delivery as payment or exchange for external growth transactions;
- for cancellation, pursuant to the share capital reduction authorization in effect, granted by the Annual General Meeting.

The program is also designed to enable any current or future market practices permitted by the AMF to be carried out and, more generally, to enable any other authorized operations or operations that would be authorized in the future by the applicable regulations. The Company will inform its shareholders in a press release prior to carrying out any such operations.

Maximum percentage of share capital, maximum number and purchase price, and characteristics of the shares the Company wishes to acquire

The number of shares that may be bought back under the program may not exceed 10% of the Company's total shares. This ceiling is reduced to 5% for shares acquired for the purpose of being held in treasury for subsequent delivery as payment or exchange for external growth transactions. When shares are bought back for the purpose of maintaining a liquid market in the Company's shares via a liquidity agreement, the number of shares included for the calculation of the 10% ceiling corresponds to the number of shares purchased less any shares sold during the authorization period.

Under no circumstances may the use of this authorization have the effect of increasing the number of Safran shares held by the Company, either directly or indirectly, to more than 10% of its share capital.

For information purposes, at December 31, 2024, the Company's capital comprised 423,632,587 shares. Given the 6,857,467 shares already directly held by the Company at this date, the maximum number of shares the Company could still acquire in connection with this buyback program would be 35,505,791 shares.

The shareholders are invited to set a maximum price representing approximately 145% of the highest closing price of the Safran share over the 12 months preceding the pricing date. The shareholders are therefore invited to set the maximum price at €365 per share. The maximum amount that could be invested in the program would be €15.4 billion. The maximum purchase price does not represent a target price.

The maximum number of shares and the maximum purchase price as indicated above may be adjusted to reflect the impact on the share price of any share capital transactions carried out by the Company.

Share buyback program procedures

Shares may be purchased, sold, or transferred in one or several transactions and by any method allowed under the laws and regulations applicable at the transaction date, including over-the-counter and through a block trade for all or part of the program, as well as via the use of derivative financial instruments.

The Board of Directors may use this authorization at any time subject to the limitations set down by the applicable regulations, except during, or in the run-up to, a public offer for the Company's shares.

Term of the share buyback program

This new share buyback program shall be valid for a period of 18 months as from the approval of the Annual General Meeting of May 22, 2025, i.e., until November 21, 2026 at the latest.

6.3 SHARE OWNERSHIP

6.3.1 Breakdown of share capital and voting rights

Based on the disclosures provided by shareholders about crossing ownership thresholds, and to the best of the Company's knowledge, Safran's share capital and voting rights were held as follows as at December 31, 2024:

Shareholders	Shares		Exercisable voting rights		Theoretical voting rights ⁽¹⁾	
	Number	% capital	Number	%	Number	%
Free float	343,340,479	81.04	387,560,131	72.86	387,560,131	71.94
■ o/w The Capital Group Companies, Inc.	37,844,077 ⁽²⁾	8.93 ⁽³⁾	37,844,077 ⁽²⁾	7.11 ⁽³⁾	37,844,077 ⁽²⁾	7.02 ⁽³⁾
■ o/w TCI Fund Management Limited	30,023,376 ⁽⁴⁾	7.09 ⁽⁵⁾	48,863,535 ⁽⁴⁾	9.19 ⁽⁵⁾	48,863,535 ⁽⁴⁾	9.07 ⁽⁵⁾
French State	49,050,846	11.58	97,033,977	18.24	97,033,977	18.01
Employees ⁽⁶⁾	24,383,795	5.76	47,325,475	8.90	47,325,475	8.78
■ o/w FCPE Safran Investissement	22,004,161	5.19	42,917,107	8.07	42,917,107	7.97
Treasury shares, held directly	6,857,467	1.62	-	-	6,857,467	1.27
Treasury shares, held indirectly	-	-	-	-	-	-
TOTAL	423,632,587	100	531,919,583	100	538,777,050	100

(1) Calculated based on all the shares making up the Company's share capital, including treasury shares and other shares stripped of voting rights (Article 223-11 of the AMF's General Regulations).

(2) Number of shares and voting rights at November 12, 2024 disclosed by The Capital Group Companies, Inc. on behalf of Capital Research and Management Company and its clients and managed funds.

(3) Calculated based on the number of shares and voting rights at November 12, 2024 disclosed by The Capital Group Companies, Inc. (see above) and the number of shares and voting rights making up the Company's capital at December 31, 2024.

(4) Number of shares and voting rights disclosed by TCI Fund Management Limited at November 19, 2024 on behalf of the clients and funds that it manages.

(5) Calculated based on the number of shares and voting rights disclosed by TCI Fund Management Limited at November 19, 2024 (see above) and the number of shares and voting rights making up the Company's capital at December 31, 2024.

(6) Employee shareholding within the meaning of Article L.225-102 of the French Commercial Code.

To the best of the Company's knowledge, no shareholder apart from those listed in the table above held more than 5% of Safran's share capital or voting rights as of December 31, 2024.

Double voting rights

At December 31, 2024, 115,144,463 of the 423,632,587 shares making up the share capital carried double voting rights pursuant to Article 31.8 of the Company's bylaws.

The main Safran shareholders do not have different voting rights from those of other shareholders. Any shareholder may be entitled to double voting rights in accordance with the conditions stipulated in Article 31.8 of the Company's bylaws (see section 6.1.2.2).

6.3.2 Breakdown of share ownership

According to a survey on identifiable bearer shares carried out at December 31, 2024:

- Safran's free-float shareholders break down as around 83% institutional investors, around 5% other institutional holdings, 9% individual investors and 3% unidentified;

- the breakdown by geographic area of the free-float shares held by the identified institutional investors is as follows: 46% are from North America, 20% are from the United Kingdom and Ireland, 9% are from France and 8% are from other countries;
- around 8% of Safran's share capital is held by individual shareholders, the majority of them being French.

6.3.3 Change in the breakdown of share capital and voting rights over the last three years

Shareholders	December 31, 2022			December 31, 2023			December 31, 2024		
	Number of shares	% capital	% voting rights ⁽¹⁾	Number of shares	% capital	% voting rights ⁽¹⁾	Number of shares	% capital	% voting rights ⁽¹⁾
Free float	347,795,090	81.40	71.95	339,335,048	79.43	72.11	343,340,479	81.04	72.86
■ o/w The Capital Group Companies, Inc.	38,469,389 ⁽²⁾	9 ⁽³⁾	7.12 ⁽³⁾	42,792,516 ⁽⁴⁾	10.02 ⁽⁵⁾	8.11 ⁽⁵⁾	37,844,077 ⁽⁶⁾	8.93 ⁽⁷⁾	7.11 ⁽⁷⁾
■ o/w TCI Fund Management Limited	21,386,096 ⁽⁸⁾	5.01 ⁽⁹⁾	6.45 ⁽⁹⁾	24,467,640 ⁽¹⁰⁾	5.73 ⁽¹¹⁾	7.2 ⁽¹¹⁾	30,023,376 ⁽¹²⁾	7.09 ⁽¹³⁾	9.19 ⁽¹³⁾
French State	47,983,131	11.23	17.76	47,983,131	11.23	18.18	49,050,846	11.58	18.24
Employees ⁽¹⁴⁾	28,780,560	6.74	10.29	26,208,937	6.13	9.71	24,383,795	5.76	8.90
■ o/w FCPE Safran Investissement	17,932,600	4.20	6.61	23,775,351	5.56	8.81	22,004,161	5.19	8.07
Treasury shares, held directly	2,687,189	0.63	-	13,733,425	3.21	-	6,857,467	1.62	-
Treasury shares, held indirectly	-	-	-	-	-	-	-	-	-
TOTAL	427,245,970	100.00	100.00	427,260,541	100.00	100.00	423,632,587	100.00	100.00

(1) Exercisable voting rights.

(2) Number of shares and voting rights disclosed by The Capital Group Companies, Inc. at October 28, 2022 on behalf of Capital Research and Management Company and its clients and managed funds.

(3) Calculated based on the number of shares and voting rights disclosed by The Capital Group Companies, Inc. at October 28, 2022 (see above) and the number of shares and voting rights making up the Company's capital at December 31, 2022.

(4) Number of shares and voting rights at July 26, 2023 disclosed by The Capital Group Companies, Inc. on behalf of Capital Research and Management Company and its clients and managed funds (AMF notice no. 223C1195).

(5) Calculated based on the number of shares and voting rights at July 26, 2023 disclosed by The Capital Group Companies, Inc. (see above) and the number of shares and voting rights making up the Company's capital at December 31, 2023.

(6) Number of shares and voting rights at November 12, 2024 disclosed by The Capital Group Companies, Inc. on behalf of Capital Research and Management Company and its clients and managed funds.

(7) Calculated based on the number of shares and voting rights at November 12, 2024 disclosed by The Capital Group Companies, Inc. (see above) and the number of shares and voting rights making up the Company's capital at December 31, 2024.

(8) Number of shares and voting rights disclosed by TCI Fund Management Limited at November 11, 2022 on behalf of the clients and funds that it manages (AMF notice no. 220C5172).

(9) Calculated based on the number of shares and voting rights disclosed by TCI Fund Management Limited at November 11, 2022 (see above) and the number of shares and voting rights making up the Company's capital at December 31, 2022.

(10) Number of shares and voting rights disclosed by TCI Fund Management Limited at November 9, 2023 on behalf of the clients and funds that it manages (AMF notice no. 222C2498).

(11) Calculated based on the number of shares and voting rights disclosed by TCI Fund Management Limited at November 9, 2023 (see above) and the number of shares and voting rights making up the Company's capital at December 31, 2023.

(12) Number of shares and voting rights disclosed by TCI Fund Management Limited at November 19, 2024 on behalf of the clients and funds that it manages.

(13) Calculated based on the number of shares and voting rights disclosed by TCI Fund Management Limited at November 19, 2024 (see above) and the number of shares and voting rights making up the Company's capital at December 31, 2024.

(14) Employee shareholding within the meaning of Article L.225-102 of the French Commercial Code.

6.3.4 Disclosure thresholds

6.3.4.1 Significant movements during 2024

Safran presents below the threshold crossings (share capital and voting rights held and treated as held in accordance with Articles L.233-7 to L.233-9 of the French Commercial Code) disclosed during the year. Safran has no obligation to verify the completeness of the disclosures.

Disclosure of the crossing of legal thresholds

The crossing of the following legal thresholds were disclosed in 2024:

1. The Capital Group Companies Inc. reported that it had crossed below the 10% threshold of the Company's share capital on August 7, 2024 and that it held as of the same date 42,558,355 shares representing an equal number of voting rights, i.e., 9.96% of the share capital and 7.85% of the Company's voting rights.

2. BlackRock, Inc. made several disclosures that the shares and/or voting rights that it holds on behalf of the clients and funds that it manages had, on different occasions, either exceeded or fallen below the 5% legal disclosure threshold of the share capital. In particular it disclosed that, on December 6, 2024, the interest that it holds on behalf of the clients and funds that it manages had risen above the threshold of 5% of the Company's share capital, and it held 21,583,059 Safran shares and voting rights on behalf of those clients and funds, representing 5.05% of the Company's share capital and 3.98% of its voting rights (AMF notice no. 224C2602). Most recently, it disclosed that, on December 24, 2024, the interest that it holds on behalf of the clients and funds that it manages had fallen below the threshold of 5% of the Company's share capital, and it held 21,123,560 Safran shares and voting rights on behalf of those clients and funds, representing 4.94% of the Company's share capital and 3.89% of its voting rights (AMF notice no. 224C2850).

Disclosure of the crossing of thresholds set out in the bylaws

In addition to the legal threshold disclosures described above, the Company was notified of several crossings of the thresholds set out in the bylaws in 2024. The material or most recent crossings of the thresholds set out in the Company's bylaws were as follows, as disclosed to Safran:

Shareholder	Date of crossing	Bylaws threshold crossed	Upward or downward	Number of shares disclosed post-crossing	% capital disclosed post-crossing	% voting rights disclosed ⁽¹⁾ post-crossing
Amundi	January 31, 2024	1% of the Company's capital	Upward	4,322,948	1.01	-
Amundi	December 13, 2024	1% of voting rights	Upward	5,454,894	-	1
Eagle Capital	March 5, 2024	1% of the Company's capital	Downward	16,620,031	0.97	-
Veritas Asset Management LLP	November 1, 2024	1% of the Company's capital	Upward	4,331,188	1.01	-
Select Equity Group L.P.	May 2, 2024	1% of voting rights	Downward	4,241,836	0.99	0.78
TCI Fund Management Limited	November 18, 2024	7% of the Company's capital	Upward	29,945,088	7	-
	November 19, 2024	9% of voting rights	Upward	30,023,376	-	9
Fidelity International	October 3, 2024	3% of the Company's capital	Downward	12,795,405	2.99	2.36
FCPE Safran Investissement	September 12, 2024	5% of the Company's capital	Downward	21,362,735	4.99	-
Caisse des Dépôts et Consignations	August 27, 2024	2% of voting rights	Downward	7,367,829	1.72	1.97
Caisse des Dépôts et Consignations	October 30, 2024	2% of voting rights	Upward	7,524,336	1.76	2
The Capital Group Companies, Inc.	November 11, 2024	9% of the Company's capital	Downward	38,307,702	8.97	-
	November 12, 2024	7% of voting rights	Downward	37,844,077	-	6.98

(1) Theoretical voting rights.

6.3.4.2 Significant movements since January 1, 2025

The main legal or bylaw thresholds that were crossed and declared between January 1, 2025 and February 28, 2025 were as follows:

1. BlackRock, Inc. made several disclosures that the shares and/or voting rights that it holds on behalf of the clients and funds that it manages had, on different occasions, either exceeded or fallen below the 5% legal disclosure threshold of the share capital. Most recently, it disclosed that, on February 27, 2025, the interest that it holds on behalf of the clients and funds that it manages had exceeded the threshold of 5% of the Company's share capital, and it held 21,381,799 Safran shares and voting rights on behalf of those clients and funds, representing 5.05% of the Company's share capital and 3.97% of its voting rights (AMF notice no. 225C0410).

2. Caisse des Dépôts et Consignations made several disclosures that it had, on different occasions, either exceeded or fallen below the bylaw threshold of 2% of the Company's voting rights. The most recent disclosure stated that on February 18, 2025 the interest it held on behalf of clients and funds that it manages had increased to above the 2% threshold of the Company's voting rights, and that at that date it held 7,469,129 shares and 10,817,129 voting rights, representing 1.76% of the Company's share capital and 2% of the voting rights.

6.3.4.3 Trigger level for mandatory bids – grandfather clause

No shareholder benefits from a "grandfather" clause providing an exception from the legal trigger level for mandatory filing of a public offer.

The French State, a shareholder of the Company, benefited from a grandfather clause from February 2011 to March 2013 (described in section 7.3.4.3 of the 2013 Registration Document).

6.3.5 Control of the Company – shareholders' agreement

As of the date of filing of this Universal Registration Document, no shareholder held, directly or indirectly, jointly or in concert with another shareholder, a percentage of voting rights conferring control of the Company.

To the best of the Company's knowledge, there are no current shareholder agreements relating to Safran shares.

6.3.6 Agreements whose implementation could lead to a change in control of the Company

To the best of the Company's knowledge, there are no agreements whose implementation at a later date could lead to a change in control of the Company.

6.3.7 Employee shareholders

6.3.7.1 Free share grants

At its March 21, 2024 meeting, using the authorization granted in the 27th resolution of the Annual General Meeting of May 25, 2023, the Board of Directors authorized grants of performance shares to certain managers and senior executives of the Group (2024 Long-Term Incentive Plan). The number of performance shares to be delivered after the three-year vesting period will depend on the extent to which the different performance conditions, applicable over 2024-2026, are achieved. Under the 2024 Long-Term Incentive Plan, 7,675 performance shares were granted to the Chief Executive Officer, Olivier Andriès (see section 6.6.5.2.2 of the 2023 Universal Registration Document and section 2.6.5.2.1 of this Universal Registration Document).

At its March 20, 2025 meeting, using the authorization granted in the 27th resolution of the Annual General Meeting of May 25, 2023, the Board of Directors again authorized grants of performance shares to certain managers and senior executives of the Group (2025 Long-Term Incentive Plan). The number of performance shares to be delivered after the three-year vesting period will depend on the extent to which the different performance conditions, applicable over 2025-2027, are achieved. Under the 2025 Long-Term Incentive Plan, 6,540 performance shares were granted to the Chief Executive Officer, Olivier Andriès (see section 2.6.5.2.2 of this Universal Registration Document).

Safran affiliates did not grant free Safran shares during the year.

6.3.7.2 Other transactions

As a reminder, the French State has previously sold the following Safran shares:

- 2.64% of the Company's share capital on December 1, 2015 (see section 7.3.4.1 of the 2015 Registration Document);
- 1.39% of the share capital on November 23, 2016 (see section 7.3.4.1 of the 2016 Registration Document); and
- 2.35% of the share capital on October 1, 2018 (see section 7.3.4.1 of the 2018 Registration Document).

Following the above sales by the French State, a total of 3,023,333 additional shares (1,222,222 shares sold in 2015, 644,444 shares sold in 2016 and 1,156,667 shares sold in 2018) will be offered to current and former employees of Safran and its subsidiaries at a later date, in accordance with Article 31.2 of French government *ordonnance* (order) 2014-948 of August 20, 2014 regarding the governance of companies in which the French State has a stake and regarding corporate actions involving these companies, as amended by French Act 2015-990 of August 6, 2015 on growth, business and equal economic opportunities.

6.3.7.3 Stock options

No authorizations for the Board of Directors to give stock options granting entitlement to subscribe for new shares of the Company or to purchase existing shares were in force during the year, nor as of December 31, 2024 or the date of this Universal Registration Document.

No stock option plan granting entitlement to purchase existing shares is currently in progress.

When the merger of Zodiac Aerospace into Safran was completed on December 1, 2018, Safran took over from Zodiac Aerospace with respect to all of the obligations resulting from the commitments given by Zodiac Aerospace to holders of Zodiac Aerospace stock options outstanding at the merger completion date. Consequently, the outstanding Zodiac Aerospace stock options are now exercisable for ordinary Safran shares, based on the exchange ratio used for the merger. The last of these plans expired in February 2023.

Safran affiliates do not grant Safran stock subscription or purchase options.

6.3.8 Temporary transfer of Safran shares

In accordance with French law, any individual or legal entity (with the exception of the investment services firms described in paragraph IV-3 of Article L.233-7 of the French Commercial Code) holding alone or in concert a number of shares representing more than 0.5% of the Company's voting rights pursuant to one or more temporary transfers or similar transactions within the meaning of Article L.22-10-48 of the aforementioned Code, is required to notify the Company and the AMF of the number of shares owned on a temporary basis no later than the second business day preceding the Shareholders' Meeting at zero hours.

If no notification is sent, any shares acquired under a temporary transfer will be stripped of voting rights at the Shareholders' Meeting concerned and at any Shareholders' Meeting that may be held until such shares are resold or returned.

No disclosures of temporary transfers were notified to the Company in 2024.

6.4 RELATIONS WITH SHAREHOLDERS

6.4.1 Accessible information

The following financial information and financial publications are available on Safran's website, at www.safran-group.com:

- the Universal Registration Document (including the annual financial report) and the half-year financial report filed with the AMF;
- the Integrated Report, of which an extract can be found in the opening chapter of the Universal Registration Document;
- financial press releases and financial publications (results, Capital Markets Day, conferences, etc.);

- documents relating to the Annual General Meeting;
- the duty of care plan;
- the shareholders' newsletter, the shareholders' guide and the site visit program (reserved for members of the Safran Shareholders' Club).

The information can be mailed upon request from the Financial Communications Department.

6.4.2 Relations with institutional investors and financial analysts

To ensure good relations with the financial community, the Financial Communications Department regularly organizes events to enable financial analysts and institutional investors to meet with Executive Management.

In 2024, Executive Management participated in conference calls during which it presented the customary financial data (quarterly revenue, first-half and annual results) and answered questions from investors and financial analysts. A governance roadshow was also organized with the participation of the Chairman of the Board of Directors, the Lead Independent Director and the Director responsible for monitoring climate change issues, in order to discuss governance issues with Safran's main institutional shareholders and proxy advisory firms ahead of the Annual General Meeting.

On December 5, 2024, Safran organized an investor meeting (Capital Markets Day) at the Safran Campus for financial analysts and investors. The event was introduced by the Chairman of the Board of Directors and hosted by the Chief Executive Officer, with the participation of Safran's Executive Committee and management team.

During the meeting, the Chief Executive Officer and Chief Financial Officer discussed Safran's strategic priorities and objectives, financial situation over the period to 2028 and capital allocation policy. From an operational standpoint, management presentations focused on the Group's Sustainable Development policy and objectives, the Research & Technology roadmap to prepare the Group's future, the LEAP engine ramp-up, the challenges of a smooth transition of aftermarket services between CFM56 and LEAP engines and the performance of certain equipment and cabin interior businesses.

During the year, Executive Management and the Financial Communications Department also participated in meetings with the financial community (financial analysts and institutional investors) in the form of conference calls and roadshows in France and abroad, as well as industry-specific conferences organized by brokers. These regular contacts contribute to developing a relationship of trust.

Lastly, in response to CSR issues, the Financial Communications Department, in collaboration with the CSR and Climate departments, continued its dialogue with non-financial rating agencies and responded to various questions raised by analysts and investors about these issues.

6.4.3 Relations with individual shareholders

Safran organizes events throughout the year specifically for its individual shareholders, with a view to fostering close relationships of trust with them. In particular, Safran invited members of its Shareholders Club on exclusive visits to four of its industrial sites in France.

The Group's regular publications including the "Shareholders' Club Program", the "Shareholders' Guide" and two shareholders'

newsletters were published during the year and are available in the Finance section of the Group's website at www.safran-group.com/finance.

In addition, Safran's financial communications teams provide a permanent channel of communication with the Company's shareholders (see section 6.4.5, "Group investor relations contacts").

6.4.4 Provisional 2025 shareholders' calendar

First-quarter 2025 revenue: April 25, 2025.

Ordinary Shareholders' Meeting: May 22, 2025 at 2:00 p.m. (CET) at Campus Safran – 32, rue de Vilgénis – 91300 Massy, France.

First-half 2024 results: July 31, 2025.

Third-quarter 2025 revenue: October 24, 2025.

Full-year 2025 results: February 13, 2026.

6.4.5 Group investor relations contacts

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Tel.: +33 (0)1 40 60 80 80
Website: safran-group.com

Investors and analysts

■ Email: investor.relation@safrangroup.com

Individual shareholders and Shareholders' Club

■ Toll-free number (France only): 0 800 17 17 17
■ Email: actionnaire.individuel@safrangroup.com

6.5 STOCK MARKET INFORMATION

The Safran share (ISIN code: FR0000073272 – Ticker symbol: SAF) is listed on compartment A of the Euronext Paris Eurolist market and is eligible for deferred settlement (see Euronext notice no. 2005-1865 of May 11, 2005).

Since September 19, 2011, the Safran share has been included in the CAC 40, CAC 40 Equal Weight, CAC Large 60, SBF 120, CAC All-Tradable, CAC All-Share, CAC Industrials, CAC Aero. & Def., Euronext 100 and Euronext FAS IAS indices. The Safran share has been included in the LC 100 Europe index since March 21, 2011 and the Euro STOXX 50 index since September 21, 2015.

Main stock market data over three years	2022	2023	2024
Number of shares at December 31	427,245,970	427,260,541	423,632,587
Safran share price (in €)			
High	120.10	168.80	228.60
Low	87.90	116.60	156.68
Closing	116.92	159.46	212.10
Market capitalization at December 31 (in € millions)	49,954	68,131	89,852

Change in share price from January 1, 2024 to February 28, 2025	Average share price* (in €)	High (in €)	Low (in €)	Average daily transactions (in number of shares)	Average market capitalization** (in € millions)
January 2024	167.373	175.520	156.680	412,869	71,512
February 2024	183.338	195.280	170.200	436,136	78,333
March 2024	201.956	213.350	192.160	481,130	86,288
April 2024	206.438	212.400	200.800	510,596	88,203
May 2024	211.564	218.900	201.000	415,554	90,393
June 2024	204.398	217.700	195.500	732,463	87,331
July 2024	202.433	210.200	195.550	490,714	86,491
August 2024	194.520	202.700	184.700	426,367	83,111
September 2024	203.229	216.600	190.000	550,112	86,832
October 2024	208.826	215.300	200.200	526,605	89,223
November 2024	218.362	225.500	207.800	632,698	93,297
December 2024	212.825	228.600	205.900	615,845	90,160
January 2025	226.336	241.000	208.200	615,142	95,883
February 2025	245.865	256.200	234.500	726,686	104,156

Source: Euronext.

* Average closing price.

** Based on the number of outstanding shares (published monthly on the Company's website, in the section Finance/Publications/Regulated Information).

6.6 CREDIT RATINGS

On December 2, 2022, Standard & Poor's upgraded Safran's long-term credit rating to A- with a stable outlook. This rating was last confirmed by Standard & Poor's on December 17, 2024.



7

ANNUAL GENERAL MEETING

7.1	AGENDA	474	7.3	STATUTORY AUDITORS' REPORTS PRESENTED TO THE ANNUAL GENERAL MEETING OF MAY 22, 2025	513
7.2	REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS PROPOSED TO THE ANNUAL GENERAL MEETING AND TEXT OF THE PROPOSED RESOLUTIONS AFR	475	7.3.1	Statutory Auditors' special report on related-party agreements	513
7.2.1	Ordinary resolutions	475	7.3.2	Statutory Auditors' reports on the proposed authorizations presented to the Annual General Meeting of May 22, 2025	517
7.2.2	Extraordinary resolutions	490			
7.2.3	Resolution concerning powers to carry out formalities	508			
7.2.4	Nominees to the Board of Directors	509			
7.2.5	Summary table showing the delegations and authorizations currently in force to increase the share capital	510			
7.2.6	Summary table of financial authorizations for the Board of Directors submitted to the Annual General Meeting of May 22, 2025 for approval	512			

The Annual General Meeting will be held on May 22, 2025 at 2:00 p.m. (CET) at the Safran Campus – 32, rue de Vilgénis, 91300 Massy (France).

Shareholders are invited to regularly check the 2025 Annual General Meeting section of the Company's website (<https://www.safran-group.com/finance/annual-general-meeting>).

The Annual General Meeting will be broadcast live and the video replay will be available on the Company's website.

Dividend

At the Annual General Meeting on May 22, 2025, the Board of Directors will recommend the payment of a €2.90 per-share dividend for 2024, representing a total payout of approximately €1,229 million. This amount represents a 32% increase compared with the €2.20 per-share dividend for 2023, and a payout ratio of 40% of 2024 adjusted profit.

The dividends for the past three years were as follows:

Year	2021	2022	2023
Dividend per share	€0.50	€1.35	€2.20

7.1 AGENDA

Ordinary resolutions

First resolution:	Approval of the parent company financial statements for the year ended December 31, 2024
Second resolution:	Approval of the consolidated financial statements for the year ended December 31, 2024
Third resolution:	Appropriation of profit for the year and approval of the recommended dividend
Fourth resolution:	Approval of the Statutory Auditors' special report on related-party agreements
Fifth resolution:	Appointment of Valérie Baudson as an independent Director
Sixth resolution:	Re-appointment of Fabienne Lecorvaisier as an independent Director
Seventh resolution:	Re-appointment of Patrick Péлата as an independent Director
Eighth resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for 2024 to the Chairman of the Board of Directors
Ninth resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for 2024 to the Chief Executive Officer
Tenth resolution:	Approval of the disclosures required under Article L.22-10-9 I of the French Commercial Code concerning the compensation of corporate officers for 2024
Eleventh resolution:	Aggregate compensation allocated to the Directors as consideration for their duties
Twelfth resolution:	Approval of the compensation policy applicable to the Chairman of the Board of Directors for 2025
Thirteenth resolution:	Approval of the compensation policy applicable to the Chief Executive Officer for 2025
Fourteenth resolution:	Approval of the compensation policy applicable to the Directors for 2025
Fifteenth resolution:	Authorization for the Board of Directors to carry out a share buyback program

Extraordinary resolutions

Sixteenth resolution:	Amendment to Article 14.8 of the bylaws – Procedures for the appointment of Directors representing employee shareholders
Seventeenth resolution:	Amendment to Article 18.12 of the bylaws – Decisions of the Board of Directors made by way of written consultation
Eighteenth resolution:	Amendment to Article 16.1 of the bylaws – Terms of office of Directors
Nineteenth resolution:	Amendment to Article 14.8 of the bylaws – Terms of office of Directors representing employee shareholders
Twentieth resolution:	Amendment to Article 14.9.3 of the bylaws – Elections of Directors representing employees – Deletion of obsolete provisions
Twenty-first resolution:	Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares, and blanket ceiling for capital increases with or without pre-emptive subscription rights for shareholders

Twenty-second resolution:	Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2-1 of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-third resolution:	Authorization for the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-fourth resolution:	Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2-1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-fifth resolution:	Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 21 st , 22 nd , 23 rd or 24 th resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-sixth resolution:	Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-seventh resolution:	Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Safran Group employee savings plan, without pre-emptive subscription rights for existing shareholders
Twenty-eighth resolution:	Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares
Twenty-ninth resolution:	Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and with performance conditions, to employees and corporate officers of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights

Resolution concerning powers to carry out formalities

Thirtieth resolution:	Powers to carry out formalities

7.2 REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS PROPOSED TO THE ANNUAL GENERAL MEETING AND TEXT OF THE PROPOSED RESOLUTIONS

The proposed resolutions that will be submitted for shareholder approval at Safran's Combined Shareholders' Meeting on May 22, 2025 are presented below.

Each of the resolutions is preceded by an explanatory paragraph providing a description of the resolution and setting out the reasons why it is being proposed.

7.2.1 Ordinary resolutions

7.2.1.1 Approval of the financial statements for the year ended December 31, 2024

Presentation of the first and second resolutions

The shareholders are invited to approve the parent company and consolidated financial statements for the year ended December 31, 2024, as well as the expenses incurred during the year that are not deductible for tax purposes (company vehicles):

- the parent company financial statements show that the Company ended 2024 with profit of €2,891 million;
- the consolidated financial statements show an attributable loss for the year amounting to €667 million.

Text of the first resolution

Approval of the parent company financial statements for the year ended December 31, 2024

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the management report prepared by the Board of Directors and the Statutory Auditors' report on the parent company financial statements, the shareholders approve the parent company financial statements for the year ended December 31, 2024 as presented – showing profit for the year of €2,891,256,257.10 – together with the transactions reflected in those financial statements and referred to in those reports.

Pursuant to Article 223 *quater* of the French Tax Code (*Code général des impôts*), the shareholders approve the non-deductible expenses governed by Article 39-4 of said Code, which totaled €459,888 and gave rise to a tax charge of €118,766.

Text of the second resolution

Approval of the consolidated financial statements for the year ended December 31, 2024

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the management report prepared by the Board of Directors and the Statutory Auditors' report on the consolidated financial

statements, the shareholders approve the consolidated financial statements for the year ended December 31, 2024 as presented, together with the transactions reflected in those financial statements and referred to in those reports.

7.2.1.2 Appropriation of profit for the year and approval of the recommended dividend

Presentation of the third resolution

The Company's distributable profit for 2024 totals €6,964million, breaking down as €2,891 million in profit for the year plus €4,073 million in retained earnings brought forward from the previous year.

The Board of Directors recommends paying a dividend of €2.90 per share, corresponding to a total payout of €1,229 million based on the 423,632,587 shares making up the Company's capital at December 31, 2024 (see section 6.2.1 of this Universal Registration Document) and a payout ratio of 40% of adjusted profit.

If this proposed dividend payout is approved, the remaining €5,735 million in distributable profit would be allocated to retained earnings.

The amount of €5,735 million (and, consequently, the amount allocated to retained earnings) will be adjusted, if necessary, to take into account new shares with dividend rights issued

before the ex-dividend date and the number of shares held in treasury at that date for which the dividend is credited to retained earnings.

For individual shareholders domiciled for tax purposes in France, this dividend will be subject to the 30% flat-rate tax comprising 12.8% for the tax prepayment provided for in Article 200-A of the French Tax Code and 17.2% for social security contributions. This flat-rate tax will automatically apply unless the taxpayer opts to be taxed based on the standard income tax bands for all of his or her investment income. For shareholders who exercise this option, the dividend will be eligible for the 40% tax relief provided for in Article 158, 3-2° of the French Tax Code.

The dividend will be paid based on the following timetable:

- ex-dividend date: May 27, 2025;
- record date: May 28, 2025;
- dividend payment date: June 2, 2025.

Text of the third resolution

Appropriation of profit for the year and approval of the recommended dividend

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, and based on the Board of Directors' recommendation, the shareholders resolve to appropriate the profit for the year ended December 31, 2024 as follows:

Profit for 2024	€2,891,256,257.10
Retained earnings ⁽¹⁾	€4,072,704,470.00
Profit available for distribution	€6,963,960,727.10
Appropriation:	
■ Dividend	€1,228,534,502.30
■ Retained earnings	€5,735,426,224.80

(1) Including €29,335,660.20 corresponding to the 2023 dividend due on shares held in treasury at the dividend payment date.

Accordingly, the dividend paid will be €2.90 per share.

For individual shareholders domiciled for tax purposes in France, this dividend will be subject to the 30% flat-rate tax comprising 12.8% for the tax prepayment provided for in Article 200-A of the French Tax Code and 17.2% for social security contributions. This flat-rate tax will automatically apply unless the taxpayer opts to be taxed based on the standard income tax bands for all of his or her investment income. For shareholders who exercise this option, the dividend will be eligible for the 40% tax relief provided for in Article 158, 3-2° of the French Tax Code.

The ex-dividend date will be May 27, 2025 and the record date will be May 28, 2025. The dividend will be paid on June 2, 2025.

The shareholders resolve that in the event of an increase or decrease in the number of shares carrying dividend rights at the ex-dividend date, the dividend payout and also the amount allocated to retained earnings will be adjusted accordingly.

The shareholders note that dividends paid for the past three years were as follows:

	Number of shares carrying dividend rights ⁽¹⁾	Net dividend per share	Total payout
2023	413,926,150	€2.20	€910,637,530.00 ⁽²⁾
2022	417,620,970	€1.35	€563,788,309.50 ⁽²⁾
2021	426,925,638	€0.50	€213,462,819.00 ⁽²⁾

(1) Total number of shares carrying dividend rights less the number of Safran shares held in treasury at the dividend payment date.

(2) Subject to the flat-rate tax or, on a discretionary basis, tax levied at the progressive rate after deducting the 40% tax relief.

7.2.1.3 Regulated related-party agreements

Presentation of the fourth resolution

A new regulated related-party agreement and an amendment to an existing regulated related-party agreement, concerning the protection of MaiaSpace's assets, were signed in March 2024 and approved by Safran's shareholders in the 4th resolution of the Annual General Meeting of May 23, 2024.

No other regulated related-party agreements were entered into during 2024.

The regulated related-party agreements that were authorized in previous years and remained in force during 2024 are presented in the Statutory Auditors' special report in section 7.3.1 of this Universal Registration Document, which the shareholders are invited to approve.

Text of the fourth resolution

Approval of the Statutory Auditors' special report on related-party agreements

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report on related-party agreements governed by

Articles L.225-38 *et seq.* of the French Commercial Code (*Code de commerce*), the shareholders approve the conclusions of the Statutory Auditors' special report.

7.2.1.4 Membership structure of the Board of Directors

Presentation of the fifth to seventh resolutions

Hélène Auriol Potier, whose term of office as an independent Director is due to expire at the close of the May 22, 2025 Annual General Meeting, has stated that she does not wish to be re-appointed.

The terms of office of Fabienne Lecorvaisier and Patrick Péлата as independent Directors are also both due to expire at the close of the May 22, 2025 Annual General Meeting.

The shareholders are invited to vote on the proposals to fill these vacancies.

Appointment of Valérie Baudson as an independent Director (5th resolution)

Following a selection procedure led by the Chairman of the Board, the Lead Independent Director and the Appointments and Compensation Committee, the profile of Valérie Baudson was chosen as the one that most closely matched the candidate requirements drawn up by the Board, in terms of independence, leadership experience in asset management companies, and financial markets expertise.

The Board noted that Valérie Baudson complies with the legal rules and recommendations of the AFEP/MEDEF Code concerning independence and multiple directorships.

The shareholders are therefore invited to appoint Valérie Baudson as an independent Director, replacing Hélène Auriol Potier, for a four-year term expiring at the close of the Ordinary Shareholders' Meeting to be held in 2029.

Her profile is presented in section 7.2.4 of this Universal Registration Document.

Re-appointment of Fabienne Lecorvaisier as an independent Director (6th resolution)

Based on the recommendations of the Appointments and Compensation Committee, in order to continue to benefit from Fabienne Lecorvaisier's expertise, the Board of Directors invites shareholders to re-appoint her for a four-year term expiring at the close of the Annual General Meeting to be held in 2029.

The Board has verified that Fabienne Lecorvaisier continues to qualify as independent based on (i) the criteria set out in the AFEP-MEDEF Code, (ii) the Board of Directors' Internal Rules (see section 2.2.4.1), and (iii) the legal requirements and the recommendations of the AFEP-MEDEF Code concerning multiple directorships. With the assistance of an independent consultancy firm, the Board has also assessed her individual contribution to the work of the Board and that of the Board Committee of which she is a member.

Fabienne Lecorvaisier brings to the Board the experience that she has gained in various functions within international industrial groups in France and overseas, as well as her expertise as a Chief Financial Officer and her experience as a Director. She also has the skills, profile and ability to take on other tasks and responsibilities required of a Board member, notably in the areas of strategy, energy transition, risk and financial transaction management, and wide-reaching projects. She is a member of the Audit and Risk Committee.

Her profile is presented in section 2.2.2 of this Universal Registration Document.

Re-appointment of Patrick Péлата, Director responsible for monitoring climate issues, as an independent Director (7th resolution)

Based on the recommendations of the Appointments and Compensation Committee, in order to continue to benefit from Patrick Péлата's expertise, the Board of Directors invites shareholders to re-appoint him as an independent Director for a four-year term expiring at the close of the Annual General Meeting to be held in 2029.

The Board has verified that Patrick Péлата continues to qualify as independent based on (i) the criteria set out in the AFEP-MEDEF Code, (ii) the Board of Directors' Internal Rules (see section 2.2.4.1), and (iii) the legal requirements and the recommendations of the AFEP-MEDEF Code concerning multiple directorships. With the assistance of an independent consultancy firm, the Board has also assessed his individual contribution to the work of the Board and that of the Board Committees of which he is a member.

Since February 24, 2021, Patrick Péлата has been the "Director responsible for monitoring climate issues", whose responsibilities are described in section 2.2.3 of this Universal Registration Document. He also chairs the Innovation, Technology & Climate Committee, whose roles and responsibilities are described in section 2.3.6.3.

In his capacity as the Director responsible for monitoring climate issues, Patrick Péлата is the standard-bearer for the Board's commitment to climate issues, and he takes the lead in ensuring follow-up of the climate action plan by the Innovation, Technology & Climate Committee. He and the Committee are involved in overseeing Executive Management's climate action plan and in preparing information for publication by the Company and for presentation to the Annual General Meeting. Together with the Chief Executive Officer, he presents Safran's climate strategy and action plan to the Annual General Meeting each year, and has done so since the 2021 AGM. He is informed of questions raised by shareholders on matters falling within his remit and makes himself available to discuss those matters with them, in conjunction with the Chairman of the Board of Directors, in particular during roadshows held with Safran's main shareholders/investors or with proxy advisors.

If the shareholders accept the Board's recommendation and Patrick Péлата is re-appointed as a Director, they would be expressing their support of the climate approach adopted by the Board of Directors and Executive Management, and their appreciation of the quality of the work of the Board and the Innovation, Technology & Climate Committee on climate issues.

Patrick Péлата also brings to the Board his experience of leading innovative, high-tech industrial groups on an international scale, as well as his expertise in strategy, consulting and industrialization, which is particularly valuable given today's focus on drastically reducing greenhouse gas emissions and increasing electrification and digitalization, and his experience as a Director.

He is also a member of the Appointments and Compensation Committee. On December 15, 2023, he was appointed as a member of the Audit and Risk Committee in connection with the change in this Committee's responsibilities related to sustainability reporting from 2024 (see section 6.3.6.1 of the 2023 Universal Registration Document and section 2.3.6.1 of this Universal Registration Document).

His profile is presented in section 2.2.2.

If the shareholders follow the Board's recommendations and adopt the resolutions relating to these re-appointments, this will enable the proportion of independent Directors to remain at 66.7% and the gender parity at 41.7%, which complies with the law.

Text of the fifth resolution

Appointment of Valérie Baudson as an independent Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, and having considered the Board of Directors' report, the shareholders appoint Valérie Baudson as a Director, to replace Hélène Auriol Potier, whose term of office is due to expire at the close of this Meeting.

Valérie Baudson is appointed for a four-year term expiring at the close of the Ordinary Shareholders' Meeting to be held in 2029 to approve the financial statements for the year ending December 31, 2028.

Text of the sixth resolution

Re-appointment of Fabienne Lecorvaisier as an independent Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary Shareholders' Meetings and having considered the Board of Directors' report, the shareholders re-appoint Fabienne Lecorvaisier as a Director, for a four-year

term expiring at the close of the Annual General Meeting to be held in 2029 to approve the financial statements for the year ending December 31, 2028.

Text of the seventh resolution

Re-appointment of Patrick Péлата as an independent Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary Shareholders' Meetings and having considered the Board of Directors' report, the shareholders re-appoint Patrick Péлата as a Director, for a four-year term

expiring at the close of the Annual General Meeting to be held in 2029 to approve the financial statements for the year ending December 31, 2028.

7.2.1.5 Approval of the components of compensation and benefits paid during or awarded for 2024 to the corporate officers (*ex-post*)

Presentation of the eighth and ninth resolutions

Specific votes on the components of compensation and benefits paid during or awarded for 2024 to the Chairman of the Board of Directors, Ross McInnes, and the Chief Executive Officer, Olivier Andriès (*ex-post*)

At the Annual General Meeting of May 23, 2024, the shareholders approved the 2024 compensation policies for (i) the Chairman of the Board of Directors, in the 14th resolution, and (ii) the Chief Executive Officer, in the 15th resolution (*ex-ante* vote).

The Board set the respective compensation packages for the Chairman and the Chief Executive Officer for 2024 in accordance with these policies.

Shareholders are asked to vote on the individual components of compensation and benefits paid during or awarded for the previous year to the Chairman of the Board of Directors and to the Chief Executive Officer (*ex-post* vote).

In accordance with the applicable regulations⁽¹⁾, the specific vote concerning each corporate officer covers the fixed, variable and exceptional components of the total compensation and benefits paid during the previous year (i.e., cash compensation paid to the officer in 2024, whatever the year to which it relates) or awarded for that year (i.e., share-based and/or cash compensation awarded in respect of the work performed in 2024, the quantity and/or amount of which does not vest on the grant date and is therefore measured at the grant-date accounting value, if applicable).

At the Annual General Meeting, the shareholders will be asked to approve the components of the compensation and benefits paid during or awarded for 2024 to the Chairman and the Chief Executive Officer (*ex-post* vote), as fixed by the Board. These components may comprise:

- fixed compensation;
- variable compensation;
- performance shares;
- supplementary pension plans;
- benefits-in-kind.

The following tables summarize the various components of the compensation and benefits of the Chairman and the Chief Executive Officer, which are presented in detail in sections 2.6.3.1 and 2.6.3.2 of this Universal Registration Document.

In accordance with the applicable law, payment of the corporate officers' variable compensation and any exceptional compensation for the previous year (year Y-1) is subject to the approval of the shareholders at the Annual General Meeting held the following year (year Y).

Payment of the annual variable compensation of the Chief Executive Officer, Olivier Andriès, for 2024 is therefore subject to the approval of the shareholders at the Annual General Meeting of May 22, 2025.

Consequently:

- in the 8th resolution, the shareholders are asked to approve the fixed, variable and exceptional components making up the total compensation and benefits paid during or awarded for 2024 to Ross McInnes, Chairman of the Board of Directors; and
- in the 9th resolution, the shareholders are asked to approve the fixed, variable and exceptional components making up the total compensation and benefits paid during or awarded for 2024 to Olivier Andriès, Chief Executive Officer.

⁽¹⁾ Article L.22-10-34 II of the French Commercial Code.

COMPONENTS OF THE COMPENSATION PAID DURING OR AWARDED FOR 2024 TO ROSS MCINNES, CHAIRMAN OF THE BOARD OF DIRECTORS

Compensation components put to the vote	Amounts paid during 2024	Amounts awarded for 2024 or accounting value	Presentation
Fixed compensation (2024)	€500,000 Awarded for 2024 and paid in 2024	See opposite	At its meeting on February 14, 2024, based on the recommendation of the Appointments and Compensation Committee, the Board of Directors decided to raise the Chairman's annual fixed compensation from €450,000 to €500,000, representing an increase of 11% (see section 2.6.3.1.a of this Universal Registration Document). In accordance with the Chairman's compensation policy, this increase is being applied in connection with Ross McInnes' re-appointment as Chairman and reflects (i) the Board's observation that the Chairman's compensation (which has remained the same since 2018) is out of step with the market, and (ii) the Chairman's performance levels for the duties he carries out.
Annual variable compensation (2024)	N/A⁽¹⁾	N/A	Ross McInnes does not receive any annual variable compensation.
Multi-year variable compensation	N/A	N/A	Ross McInnes does not receive any multi-year variable compensation.
Exceptional compensation	N/A	N/A	Ross McInnes did not receive any exceptional compensation.
Stock options, performance shares and any other long-term compensation	N/A	N/A	Ross McInnes does not receive any stock options. Ross McInnes does not receive any performance shares or any other long-term compensation.
Directors' compensation	N/A	N/A	Ross McInnes did not receive any compensation for his duties as member of the Board of Directors for 2024.
Benefits-in-kind	N/A	€7,244.61 (accounting value)	Ross McInnes has the use of a company car.
Termination benefits	N/A	N/A	Ross McInnes is not entitled to any termination benefits in his capacity as Chairman of the Board of Directors.
Supplementary pension			The Chairman of the Board of Directors is not covered by any specific supplementary pension plan, other than those described below.
	€0	N/A	Defined contribution pension plans (plan d'épargne retraite obligatoire – PERO) The Chairman is a beneficiary of "PERO – Core" and "PERO – Additional" plans set up on January 1, 2022 (see section 2.6.3.1.d of this Universal Registration Document) for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries. His participation in these plans was approved at the Annual General Meeting of May 23, 2024, through the 13 th resolution relating to the compensation policy for the Chairman, which included said supplementary pension benefits. The expenses recorded in the 2024 financial statements relating to the contributions paid for Ross McInnes under the PERO – Core Plan and the PERO – Additional Plan amounted to €13,678.56 and €15,996.96 respectively. At December 31, 2024, the estimated theoretical amount ⁽²⁾ of the annuities that could be paid to Ross McInnes under the PERO – Core Plan and the PERO – Additional Plan amounted to €11,758.77 and €5,261.50 respectively.

Compensation components put to the vote	Amounts paid during 2024	Amounts awarded for 2024 or accounting value	Presentation
	Additional payment: €39,015	N/A	"Article 82" defined contribution plan The Chairman is a beneficiary of Safran's defined contribution supplementary pension plan set up in France (see section 2.6.3.1.d of this Universal Registration Document) for all Group managerial-grade staff pursuant to Article 82 of the French Tax Code (the "Article 82 Plan"), subject to the same terms and conditions as the other plan beneficiaries. The commitment was approved at the Annual General Meeting of May 23, 2024, through the 13th resolution relating to the compensation policy for the Chairman, which included said supplementary pension benefits. The contributions to the plan are based on the fixed compensation that Ross McInnes receives for his role as Chairman of the Board of Directors. In view of his status as Chairman, the plan does not have any underlying performance conditions, meaning that his compensation is not linked to the Company's performance, in compliance with the requirement in the AFEP-MEDEF Code for non-executive officers. The Article 82 Plan was put in place to compensate for the closure of Safran's Article 39 defined benefit plan as from January 1, 2017 (see below). In order for entitlements to accrue under the plan, the Company is required to: ■ pay monthly contributions to an insurer, the rate of which is set based on the beneficiary's reference compensation for year Y-1 (Insurer Contribution) and which may represent up to 12.735% of that reference compensation; and ■ pay a cash amount to the beneficiary corresponding to the Insurer Contribution (Additional Payment) so that the beneficiary can pay the applicable tax (the plan provides for up-front taxation so that the capital accrued and received on the beneficiaries' retirement is net of tax and social security contributions). The commitment was approved at the Annual General Meeting of May 23, 2024, through the 13th resolution relating to the compensation policy for the Chairman, which included said supplementary pension benefits. Under the Article 82 Plan, the Insurer Contribution and Additional Payment for the Chairman for 2024 totaled €39,015 each (i.e., €78,030 altogether), corresponding in each case to 7.8% of his reference compensation (15.6% in total). At December 31, 2024, the estimated theoretical amount⁽²⁾ of the annuity that could be paid to Ross McInnes was €17,261.58.
	€0	N/A	"Article 39" defined benefit plan (closed to new entrants and entitlements frozen) The Article 39 defined benefit supplementary pension plan⁽³⁾ of which the Chairman was previously a beneficiary (further to the decision of the Board of Directors on April 23, 2015 and by the shareholders at the May 19, 2016 Annual General Meeting) is now closed to new entrants and the benefit entitlements have been frozen, including for the Chairman. However, he could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met (see section 2.6.3.1.d of this Universal Registration Document). At December 31, 2024, the estimated theoretical amount⁽²⁾ of the annuity that could be paid to Ross McInnes corresponded to the cap set in the plan, i.e., €141,300 (corresponding to three times the annual social security ceiling [PASS], based on the 2025 value of the PASS).

(1) Not applicable.

(2) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions (in accordance with Article D.22-10-16 of the French Commercial Code).

(3) Defined benefit plan meeting the conditions set out in Article L.137-11 of the French Social Security Code (Code de la sécurité sociale).

COMPONENTS OF THE COMPENSATION PAID DURING OR AWARDED FOR 2024 TO OLIVIER ANDRIÈS, CHIEF EXECUTIVE OFFICER

Compensation components put to the vote	Amounts paid during 2024	Amounts awarded for 2024 or accounting value	Presentation
Fixed compensation (2024)	€950,000 Awarded for 2024 and paid in 2024	See opposite	At its meeting on February 14, 2024, based on the recommendation of the Appointments and Compensation Committee, the Board of Directors decided to raise the Chief Executive Officer's annual fixed compensation from €840,000 to €950,000 (see the explanations in section 2.6.3.2.a of this Universal Registration Document), representing an increase of 13% compared with his annual fixed compensation for 2023. The target level for the Chief Executive Officer's fixed compensation was initially proposed in 2019 but was put on hold due to the Covid pandemic.
Annual variable compensation (2024)		€1,171,667 Awarded for 2024 and payable in 2025 Payment of the Chief Executive Officer's annual variable compensation for 2024 is subject to shareholders' approval at the Annual General Meeting of May 22, 2025	The Chief Executive Officer's annual variable compensation for 2024 was determined by the Board of Directors in accordance with the compensation policy approved by the shareholders at the Annual General Meeting of May 23, 2024 (see section 6.6.2.2 of the 2023 Universal Registration Document) and described in section 2.6.3.2.b of this Universal Registration Document. This policy remained unchanged in 2024 versus 2023, as decided by the Board of Directors at its meeting on February 14, 2024. The Chief Executive Officer's "target" variable compensation - i.e., the amount payable if the achievement rate is 100% for all of the financial and individual performance objectives set out below - corresponds to 120% of his annual fixed compensation (the "Target"). If the Chief Executive Officer outperforms his objectives, his "maximum" variable compensation - i.e., the amount payable if the achievement rate is 130% for all of the financial and individual performance objectives set out below - will represent a maximum of 150% of his annual fixed compensation (the "Cap"). At its meeting on March 20, 2025, the Board of Directors reviewed the achievement of the objectives set for the variable compensation payable to the Chief Executive Officer for 2024, after consultation with the Appointments and Compensation Committee. Following this review, it set Olivier Andriès' variable compensation at €1,171,667, i.e., 123.3% of his annual fixed compensation. This amount reflects: ■ An overall achievement rate of 101% for the portion related to the Group's financial performance (accounting for two-thirds of the variable compensation), for which the objectives related to: ● recurring operating income (ROI) (60% weighting): 103% achievement; ● free cash flow (FCF) (25% weighting): 105% achievement; ● working capital, comprising the following components: - operating assets (Inventories) (10% weighting): 75% achievement, and - unpaid receivables (5% weighting): 102% achievement. ■ An overall achievement rate of 108% for the portion related to individual quantitative and qualitative performance objectives (accounting for one-third of the annual variable compensation), as detailed in section 2.6.3.2.b of this Universal Registration Document.

Compensation components put to the vote	Amounts paid during 2024	Amounts awarded for 2024 or accounting value	Presentation
Multi-year variable compensation	N/A ⁽¹⁾	N/A	No multi-year variable compensation was awarded to Olivier Andriès.
Exceptional compensation	N/A	N/A	Olivier Andriès did not receive any exceptional compensation.
Stock options, performance shares and any other long-term compensation	Stock options: N/A	Stock options: N/A	Olivier Andriès did not receive any stock options.
		Performance shares: €1,139,875.65 <i>(accounting value on grant date)</i>	On the recommendation of the Appointments and Compensation Committee, at its March 21, 2024 meeting, the Board of Directors used the authorization granted in the 27th resolution of the May 25, 2023 Annual General Meeting to grant 7,675 performance shares to Olivier Andriès (see section 2.6.3.2.c of this Universal Registration Document). The general terms and conditions of this performance share plan and the terms and conditions relating specifically to the Chief Executive Officer are described in section 2.6.5.2.1 of this Universal Registration Document. The estimated accounting value of these performance plans, as measured at the grant date, corresponds to €1,139,875.65⁽²⁾.
	Other long-term compensation: N/A	Other long-term compensation: N/A	Olivier Andriès did not receive any other long-term compensation.
Directors' compensation	N/A	N/A	Olivier Andriès did not receive any compensation for his duties as member of the Board of Directors for 2024.
Value of benefits-in-kind	N/A	€20,674.52 <i>(accounting value)</i>	Olivier Andriès has the use of a company car and is eligible for specific travel expenses.
Termination benefits	N/A	N/A	Olivier Andriès is not entitled to any termination benefits in his capacity as Chief Executive Officer.
Supplementary pension			The Chief Executive Officer is not covered by any specific supplementary pension plan, other than those described below.
	€0	N/A	Defined contribution pension plans (plan d'épargne retraite obligatoire – PERO) The Chief Executive Officer is a beneficiary of "PERO – Core" and "PERO – Additional" plans set up on January 1, 2022 (see section 2.6.3.2.f of this Universal Registration Document) for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries. The commitment was approved at the Annual General Meeting of May 23, 2024, through the 14th resolution relating to the compensation policy for the Chief Executive Officer, which included said supplementary pension benefits. The expenses recorded in the 2024 financial statements relating to the contributions paid for Olivier Andriès under the PERO – Core Plan and the PERO – Additional Plan amounted to €13,678.56 and €15,996.96 respectively. At December 31, 2024, the estimated theoretical amount⁽³⁾ of the annuities that could be paid to Olivier Andriès under the PERO – Core Plan and the PERO – Additional Plan amounted to €10,632.97 and €3,995.63 respectively.

Compensation components put to the vote	Amounts paid during 2024	Amounts awarded for 2024 or accounting value	Presentation
	Additional payment: €243,578.64	N/A	"Article 82" defined contribution plan The Chief Executive Officer is a beneficiary of Safran's defined contribution supplementary pension plan set up in France (see section 2.6.3.2.f of this Universal Registration Document) for all Group managerial-grade staff pursuant to Article 82 of the French Tax Code (the "Article 82 Plan"), subject to the same terms and conditions as the other plan beneficiaries. The commitment was approved at the Annual General Meeting of May 23, 2024, through the 14th resolution relating to the compensation policy for the Chief Executive Officer, which included said supplementary pension benefits. In order for entitlements to accrue under the plan, the Company is required to: ■ pay monthly contributions to an insurer, the rate of which is set based on the beneficiary's reference compensation for year Y-1 (Insurer Contribution) and which may represent up to 12.735% of that reference compensation; and ■ pay a cash amount to the beneficiary corresponding to the Insurer Contribution (Additional Payment) so that the beneficiary can pay the applicable tax (the plan provides for up-front taxation so that the capital accrued and received on the beneficiaries' retirement is net of tax and social security contributions). The contributions to the Article 82 defined contribution plan are based on the annual fixed compensation and the annual variable compensation (subject to performance conditions, as defined in section 2.6.3.2.b) that the Chief Executive Officer receives for his role as Chief Executive Officer. Under the Article 82 Plan, the Insurer Contribution and Additional Payment for the Chief Executive Officer for 2024 totaled €243,578.64 each (i.e., €487,157.28 altogether), corresponding in each case to 12.735% of his reference compensation (25.47% in total). At December 31, 2024, the estimated theoretical amount⁽³⁾ of the annuity that could be paid to Olivier Andriès under the Article 82 Plan was €47,723.90.
	€0	N/A	"Article 39" defined benefit plan (closed to new entrants and entitlements frozen) The Chief Executive Officer was previously a beneficiary of Safran's defined benefit supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 39⁽⁴⁾ of the French Tax Code (the "Article 39 Plan" – see section 2.6.3.2.f of this Universal Registration Document), subject to the same terms and conditions as the other plan beneficiaries. In accordance with a decision taken by the Board of Directors on December 16, 2020, however, the Chief Executive Officer could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met (see section 2.6.2.1.g of this Universal Registration Document). At December 31, 2024, the estimated theoretical amount⁽³⁾ of the annuity that could be paid to Olivier Andriès corresponded to the cap set in the plan, i.e., €141,300 (corresponding to three times the annual social security ceiling [PASS], based on the 2025 value of the PASS).

(1) Not applicable.

(2) The value of the performance shares was estimated at the grant date (i.e., March 21, 2024) in accordance with IFRS 2 (see section 3.1, Note 6.3.2) and does not correspond to compensation received by the beneficiary during the year.

(3) Calculated based on the assumption that the annuity would be received as from January 1, 2025, irrespective of the eligibility conditions (in accordance with Article D.22-10-16 of the French Commercial Code).

(4) Defined benefit plan meeting the conditions set out in Article L.137-11 of the French Social Security Code.

Text of the eighth resolution

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for 2024 to the Chairman of the Board of Directors

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and in application of Article L.22-10-34 II of the French Commercial Code, having considered the Board of Directors' corporate governance report prepared in accordance with Article L.225-37 of the French

Commercial Code, the shareholders approve the fixed, variable and exceptional components making up the total compensation and benefits paid during or awarded for 2024 to Ross McInnes, Chairman of the Board of Directors, as presented in section 2.6.3.1 of the 2024 Universal Registration Document.

Text of the ninth resolution

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for 2024 to the Chief Executive Officer

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and in application of Article L.22-10-34 II of the French Commercial Code, having considered the Board of Directors' corporate governance report prepared in accordance with Article L.225-37 of the French

Commercial Code, the shareholders approve the fixed, variable and exceptional components making up the total compensation and benefits paid during or awarded for 2024 to Olivier Andriès, Chief Executive Officer, as presented in section 2.6.3.2 of the 2024 Universal Registration Document.

Presentation of the tenth resolution

Vote on the total compensation paid to corporate officers in 2024 (Report on the compensation of corporate officers)

As every year, the shareholders are invited to vote on the aggregate compensation and benefits paid during the previous year or awarded for that year to all corporate officers, executive and non-executive.

The disclosures on which the shareholders are required to vote are presented in the report on the compensation of corporate officers (see sections 2.6.3 and 2.6.4 of this Universal Registration Document).

In addition to the disclosures concerning the compensation and benefits of the Chairman of the Board, Ross McInnes, and the Chief Executive Officer, Olivier Andriès, which will be put to the vote in the 8th and 9th resolutions presented above, they include disclosures on the compensation allocated to the Directors (see section 2.6.4), pay ratios between the level of compensation of the Chairman and the Chief Executive Officer and the average and median compensation of Safran's employees (see section 2.6.3.4), and a certain number of other disclosures required under the applicable regulations (specifically, Article L.22-10-9 I of the French Commercial Code).

A concordance table for all of these disclosures is provided in section 9.1.2 of this Universal Registration Document.

Text of the tenth resolution

Approval of the disclosures required under Article L.22-10-9 I of the French Commercial Code concerning the compensation of corporate officers for 2024

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and in application of Article L.22-10-34 of the French Commercial Code, having considered the Board of Directors' corporate governance report

prepared in accordance with Article L.225-37 of the French Commercial Code, the shareholders approve the disclosures required under Article L.22-10-9 I of the French Commercial Code, as presented in the aforementioned report.

7.2.1.6 Annual aggregate amount of Directors' compensation

Presentation of the eleventh resolution

Annual aggregate amount of Directors' compensation

A comparative study carried out in 2024 showed that the €1,300,000 annual aggregate amount of Safran's Directors' compensation was 10.7% lower than the average annual aggregate amount paid by CAC 40 companies, which was €1,438,000 in 2023. The shareholders are therefore invited to increase the aggregate annual amount of compensation to be allocated to the Directors as consideration for their duties (the "Aggregate Compensation") to €1,400,000 for 2025 and until the amount is revised by decision of the Annual General

Meeting. The increase is intended to enable Safran to offer its Directors average compensation that is more in line with the practices of comparable French companies and therefore to continue to attract Board members of the highest quality. It would also take into greater account the Directors' commitment and involvement in the Board's work, which justify a fair level of compensation. Assuming an allocation between 14 Directors (the Chairman and the Chief Executive Officer no longer receive Directors' compensation, in accordance with their compensation policies), the average theoretical compensation would amount to €100,000 (gross) per Director (compared to €93,000 [gross] under the current aggregate amount), assuming that the full amount of Aggregate Compensation is allocated.

Text of the eleventh resolution

Aggregate Compensation allocated to the Directors as consideration for their duties

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders set at €1,400,000 the Aggregate Compensation to be allocated by the

Board of Directors among its members as consideration for their duties for 2025 and each subsequent year until the shareholders decide otherwise.

7.2.1.7 Compensation policies (ex-ante votes)

Presentation of the twelfth to fourteenth resolutions

In compliance with Articles L.22-10-8 and R.22-10-14 of the French Commercial Code, the Board of Directors determines a compensation policy for the corporate officers, which sets out the principles and criteria used to determine, allocate and award the fixed, variable and exceptional components of their total compensation and benefits.

By nature and by construction, taking into account compensation-related governance rules, the components of the policies are specific and different, depending on whether they concern the Chairman of the Board, the Chief Executive Officer or the Directors, all of whom are corporate officers. These policies are submitted for shareholders' approval each year at the Annual General Meeting.

These specific policies are disclosed in sections 2.6.1 and 2.6.2 of this Universal Registration Document.

This section presents:

- the principles and rules for determining the compensation and benefits for all corporate officers;

- the specific compensation policy for the Chairman of the Board of Directors. No changes have been made that alter this policy compared with the compensation policy approved at the last Annual General Meeting;
- the specific compensation policy for the Chief Executive Officer, which may be adapted and applied to any Deputy Chief Executive Officer(s) who may be appointed in the future. No changes have been made that alter this policy compared with the compensation policy approved at the last Annual General Meeting;
- the specific compensation policy for Directors, the principles and terms and conditions of which are unchanged compared with those approved at the last Annual General Meeting.

The 2025 policies have been approved by the Board of Directors and will be submitted to a shareholder vote at the Annual General Meeting on May 22, 2025.

At the May 22, 2025 Annual General Meeting, shareholders are invited to approve the compensation policies that will be applicable for 2025 to the Chairman of the Board of Directors (12th resolution) and the Chief Executive Officer (13th resolution), as well as the compensation policy that will be applicable to the Directors (14th resolution).

Text of the twelfth resolution

Approval of the compensation policy applicable to the Chairman of the Board of Directors for 2025

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report on the compensation policy applicable to corporate officers prepared in accordance with Article L.22-10-8 of the French Commercial Code, the

shareholders approve the compensation policy applicable to the Chairman of the Board of Directors, as presented in sections 2.6.1 and 2.6.2.1 of the 2024 Universal Registration Document.

Text of the thirteenth resolution

Approval of the compensation policy applicable to the Chief Executive Officer for 2025

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report on the compensation policy applicable to corporate officers prepared in accordance with

Article L.22-10-8 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Chief Executive Officer, as presented in sections 2.6.1 and 2.6.2.2 of the 2024 Universal Registration Document.

Text of the fourteenth resolution

Approval of the compensation policy applicable to the Directors for 2025

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report on the compensation policy applicable to corporate officers prepared in accordance with

Article L.22-10-8 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Directors, as presented in sections 2.6.1 and 2.6.2.3 of the 2024 Universal Registration Document.

7.2.1.8 Authorization for the Board of Directors to carry out a share buyback program

Presentation of the fifteenth resolution

Share buyback program

The Company needs to have the necessary flexibility to react to changes in financial markets by buying back Safran shares.

The shareholders are therefore invited to renew the authorization given to the Board of Directors to carry out a share buyback program, with the following main conditions:

- the number of shares that may be bought back may not exceed 10% of the Company's total outstanding shares (for information purposes, 35.5 million shares based on the 42.4 million shares making up the Company's issued capital at December 31, 2024 and after deducting the 6.86 million Safran shares held directly by the Company at that date), and the Company may at no time, directly or indirectly, hold a number of Safran shares representing more than 10% of the Company's capital;
- the shares may be purchased, sold or transferred by any authorized method, including through block trades for all or some of the program, subject to the regulations in force at the date on which the authorization is implemented.

Subject to the limits authorized by the applicable laws and regulations, the Board of Directors may use this authorization at any time during the period of validity of the buyback program, **except during, or in the run-up to, a public offer for the Company's shares, when this authorization may not be used and the Company may not pursue the execution of a share buyback program unless specifically authorized by shareholders in General Meeting.**

The shareholders are invited to set a maximum price representing approximately 145% of the highest closing price of the Safran share over the 12 months preceding the pricing date. The shareholders are therefore invited to set the maximum price at €365 per share. The maximum amount that could be invested in the program would be €15.4 billion. The maximum purchase price does not represent a target price.

The objectives of this share buyback program are set out in the text of the 15th resolution below and are identical to those of the previous authorization given to the Board of Directors by the Annual General Meeting.

This authorization would be given for a period of 18 months and would supersede the previous authorization granted for the same purpose in the 16th resolution of the Annual General Meeting of May 23, 2024.

Report on the utilization in 2024 of previous shareholder-approved share buyback programs

In 2024, Safran entered into the following agreements:

- on January 12, 2024, an agreement with an investment services provider to buy back a tranche of Safran shares, for up to a maximum aggregate amount of €450 million during the period from January 16, 2024 through March 1, 2024, for the purpose of (i) delivering shares in the event of conversion of its convertible bonds maturing in 2028 (2028 OCEANE – see section 6.2.3.2), and (ii) the allocation or sale of shares to employees or officers of Safran or other Group companies. An aggregate 828,201 shares were bought back under this tranche;
- on May 9, 2024, an agreement with an investment services provider to buy back a tranche of Safran shares, for up to a maximum aggregate amount of €420 million during the period from May 30, 2024 through June 26, 2024, for the purpose of (i) delivering shares in the event of conversion of its convertible bonds maturing in 2028 (2028 OCEANE – see section 6.2.3.2), and (ii) the allocation or sale of shares to employees or officers of Safran or other Group companies. An aggregate 2,027,600 shares were bought back under this tranche;
- on June 28, 2024, an agreement with an investment services provider to buy back a tranche of Safran shares, for up to a maximum aggregate amount of €250 million, during the period from July 1, 2024 through September 13, 2024 for the purpose of canceling the shares. An aggregate 1,262,036 shares were bought back under this tranche;
- on September 20, 2024, an agreement with an investment services provider to buy back a tranche of Safran shares, for up to a maximum aggregate amount of €500 million, during the period from September 23, 2024 through December 11, 2024 for the purpose of canceling the shares. An aggregate 2,365,918 shares were bought back under this tranche.

In 2024, the aggregate number of shares purchased under the liquidity agreement entered into with Oddo BHF SCA amounted to 2,040,579.

The total number of shares sold under this liquidity agreement during the year amounted to 2,019,176.

At December 31, 2024, Safran held 6,857,467 of its own shares, representing 1.62% of its capital.

These treasury shares were held for the following purposes:

- for allocation or sale to employees: 2,420,426 shares, representing 0.57% of the Company's capital;
- to cover exchangeable debt securities: 4,321,207 shares, representing 1.02% of the Company's capital;
- to maintain a liquid market in the Company's shares via a liquidity agreement: 115,834 shares, representing 0.03% of the Company's capital;
- for cancellation: 0.

Text of the fifteenth resolution

Authorization for the Board of Directors to carry out a share buyback program

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders grant the Board of Directors - or any representative duly empowered in accordance with the law - an authorization to purchase, directly or indirectly, the Company's shares in accordance with the conditions set out in Articles L.22-10-62 *et seq.* of the French Commercial Code and EC Regulation No. 596/2014 dated April 16, 2014, as well as any other laws and regulations that may be applicable in the future.

The authorization may be used to purchase shares:

- to maintain a liquid market in the Company's shares via a liquidity agreement that complies with the Code of Ethics drawn up by the French association of financial and investment firms (*Association française des marchés financiers* - AMAFI) approved by the AMF, and entered into with an investment services firm;
- for allocation or sale to employees and/or corporate officers of the Company or other Group companies, in accordance with the terms and conditions provided for by law, notably in connection with a profit-sharing plan, free share grants, the exercise of stock options, the Group employee savings plan, or any company employee savings plan in place within the Group;
- for delivery on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- to hold in treasury for subsequent delivery in payment or exchange for external growth transactions; and
- for cancellation, pursuant to the share capital reduction authorization in effect, granted by the Annual General Meeting.

This authorization is also designed to enable any future market practices permitted by the AMF to be carried out and, more generally, to enable any other operations authorized by the applicable regulations. The Company will inform its shareholders in a press release prior to carrying out any such operations.

Shares may be purchased, sold, or transferred by any method allowed under the applicable laws and regulations, on one or more occasions, including, in accordance with the regulations in force at the date of this Meeting, over the counter and through block trades for all or part of the program, as well as through the use of derivative financial instruments.

The Board of Directors may use this authorization at any time subject to the limitations set down by the applicable laws and regulations, except during, or in the run-up to, a public offer for the Company's shares.

The number of shares that may be bought back under this authorization may not exceed 10% of the Company's total outstanding shares (for information purposes, 2,363,258 shares based on the number of shares making up the Company's issued capital at December 31, 2024). This ceiling is reduced to 5% for shares acquired for the purpose of being held in treasury for subsequent delivery in payment or exchange for external growth transactions. When shares are bought back for the purpose of maintaining a liquid market in the Company's shares via a liquidity agreement, the number of shares included in the calculation of the 10% ceiling corresponds to the number of shares purchased less any shares sold during the period covered by this authorization.

Under no circumstances may the Company hold more than 10% of its capital, either directly or indirectly through a person acting in their own name but on behalf of the Company.

The shares may not be purchased at a price of more than €365 per share and the maximum amount that may be invested in the program is €15.4 billion. However, the Board of Directors may adjust this maximum purchase price to take into account the impact on the share price of any corporate actions.

The shareholders give full powers to the Board of Directors - or any representative duly empowered in accordance with the law - to carry out this share buyback program, set the applicable terms and conditions, make the required adjustments as a result of any corporate actions, place any and all buy and sell orders, enter into any and all agreements notably for the keeping of registers of share purchases and sales, make any and all filings with the AMF and any other organization, carry out all other formalities, and generally do everything necessary to use this authorization.

This authorization is given for a period of 18 months from the date of this Meeting and supersedes the unused portion of the authorization given to the Board of Directors for the same purpose in the 16th resolution of the Annual General Meeting of May 23, 2024.

7.2.2 Extraordinary resolutions

7.2.2.1 Status modifications

Presentation of the sixteenth resolution

The Board is proposing a number of amendments to Article 14.8 of the bylaws, in the interests of consistency, readability and flexibility.

Firstly, it is proposing that the bylaws should provide that the Board has one or two Directors representing employee shareholders, in order to be more precise and to ensure consistency between the membership of the Board and Safran's shareholder base.

Secondly, in line with French government order no. 2024-934 of October 15, 2024 (transposing Directive (EU) 2022/2381 of the European Parliament and of the Council of November 23, 2022, on improving gender balance among

directors of listed companies and related measures), pursuant to which Directors representing employee shareholders are now included in the basis for calculating the Board's gender equality ratio, it is also proposed that the two eligible "bodies" for nominating candidates (the Supervisory Boards of corporate mutual funds on the one hand, and Safran employees with direct shareholdings in the Company, on the other), should each nominate two candidates – one woman and one man – which will help to maintain or improve the Board's gender equality ratio.

Lastly, in order to avoid having multiple candidates, it is proposed that the Supervisory Boards of the corporate mutual funds agree to present two joint candidates.

Text of the sixteenth resolution

Amendment to Article 14.8 of the bylaws – Procedures for the appointment of Directors representing employee shareholders

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, and having considered the Board of Directors' report, the shareholders resolve to amend Article 14.8 of the bylaws as follows:

Previous wording

If the report presented by the Board of Directors at the Annual General Meeting in accordance with Article L.225-102 of the French Commercial Code shows that the shares held by employees of the Company – or of companies related to it within the meaning of Article L.225-180 of said Code – represent more than 3% of the Company's capital, then one or more Directors representing employee shareholders shall be appointed at an Ordinary Shareholders' Meeting in accordance with the terms and conditions set down in applicable laws and regulations as well as in these bylaws.

Candidate Director(s) representing employee shareholders shall be designated as follows:

- a. When employees hold shares through a corporate mutual fund and the voting rights attached to these shares are exercised by the members of the Supervisory Board of said fund, that Supervisory Board may designate one or more candidates from among its members who represent employees. When there are several corporate mutual funds, the Supervisory Boards of these funds may agree together to present one or more joint candidates, selected from among all of their members representing employees;
- b. When the voting rights attached to the shares held by employees through the corporate mutual fund are directly exercised by those employees, the candidate(s) shall be elected by said employees from among the members of the Supervisory Board of said fund, under the conditions set out below;

New wording

If the report presented by the Board of Directors at the Annual General Meeting in accordance with Article L.225-102 of the French Commercial Code shows that the shares held by employees of the Company – or of companies related to it within the meaning of Article L.225-180 of said Code – represent more than 3% of the Company's capital, then one or **two** Directors representing employee shareholders shall be appointed at an Ordinary Shareholders' Meeting in accordance with the terms and conditions set down in applicable laws and regulations as well as in these bylaws.

Candidate Directors representing employee shareholders shall be selected as follows:

- a. When employees hold shares through a corporate mutual fund and the voting rights attached to these shares are exercised by the members of the Supervisory Board of said fund, that Supervisory Board designates **two** candidates, **a woman and a man**, from among its members who represent employees. When there are several corporate mutual funds, the Supervisory Boards of those funds agree to present **two** joint candidates – **a woman and a man** – from among all of their permanent members representing employees;
- b. When the voting rights attached to the shares held by employees through the corporate mutual fund are directly exercised by those employees, **two** candidates, **a woman and a man**, shall be elected by said employees from among the members of the Supervisory Board of said fund, under the conditions set out below. **When there are several corporate mutual funds, the Supervisory Boards of those funds agree to present two joint candidates – a woman and a man – from among all of their permanent members representing employees;**

Previous wording

- c. Employees directly holding shares in the Company (within the meaning of Article L.225-102 of the French Commercial Code) elect candidates by means of a vote conducted as described below.

As regards points b) and c), candidates shall be designated during elections held by the Company within each of the groups of employees concerned. These elections, which must be preceded by calls for candidates, may be organized by the Company using any technical means that offer a secure voting process, including electronic or postal voting systems.

[...]

New wording

- c. Employees directly holding shares in the Company (within the meaning of Article L.225-102 of the French Commercial Code elect **two candidates, a woman and a man**, by means of a vote conducted as described below.

As regards points b) and c), candidates shall be designated during elections held by the Company within each of the groups of employees concerned. These elections, which must be preceded by calls for candidates, may be organized by the Company using any technical means that offer a secure voting process, including electronic or postal voting systems.

[...]

Presentation of the seventeenth resolution

The shareholders are invited to amend Article 18.12 of the Articles of Association relating to the Board of Directors' discussion and decision-making procedures:

It was previously possible for the Board of Directors to discuss and reach decisions by way of written consultation, but only for certain decisions as listed in the applicable law.

Since the introduction of France's "Economic Attractiveness" Act (Act no. 2024-537 dated June 13, 2024), this possibility has been extended to all Board decisions, subject to the bylaws

providing for such a possibility, and provided that any Board member may, if they wish, object to the use of this procedure.

It is therefore proposed that Article 18.12 of the bylaws be amended to enable the Board to make use of this new flexibility permitted by law, and to include in the bylaws a provision that Directors may object to the use of the written consultation procedure.

If this proposal is adopted by the shareholders, the Board will include in its Internal Rules a description of the practical arrangements for such written consultations, as well as the process for Board members to follow if they object to the use of the procedure.

Text of the seventeenth resolution**Amendment to Article 18.12 of the bylaws – Decisions of the Board of Directors made by way of written consultation**

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings, and having considered the Board of Directors' report, the shareholders resolve to amend Article 18.12 of the bylaws as follows:

Previous wording

18.12 Where allowed by law, the Board of Directors' decisions may be made by written consultation, by the method specified in the Board of Directors' Internal Rules.

New wording

18.12 **In compliance with the applicable law, and subject to any exclusions provided for in its Internal Rules, the Board of Directors may make decisions by way of written consultation, including electronically, in accordance with the procedures set forth in the Board of Directors' Internal Rules. Any member of the Board of Directors may object to the use of a written consultation, in accordance with the terms and conditions set forth in the Board of Directors' Internal Rules, in particular in relation to timeframes.**

Presentation of the eighteenth resolution

At the Annual General Meeting on April 21, 2011, the shareholders decided to change Safran's legal form from a company with a Management Board and a Supervisory Board to a company with a Board of Directors, and appointed the first Directors to the Board.

In order to comply with the AFEP/MEDEF Corporate Governance Code, which recommends that Directors' terms of office be staggered in such a way as to avoid all of the Board's members having to be re-appointed at the same time and to encourage smooth renewal of directorships, the shareholders at the aforementioned 2011 Annual General Meeting appointed Directors for different terms of office so that their subsequent re-appointments would be staggered.

Since then, the number of Board members has successively increased and then decreased, and Directors' terms of office have been reduced from five years to four years. Due to these changes, many Directors' terms of office will now expire at the same time, and the Board therefore considers that the staggering of their terms of office should be reviewed.

To this end, the shareholders are invited to amend Article 16.1 of the bylaws relating to the duration of Directors' terms of office, in order to provide for the possibility of appointing Directors for terms of one, two or three years, as an exception to the general rule of a four-year term of office.

Text of the eighteenth resolution

Amendment to Article 16.1 of the bylaws – Terms of office of Directors

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings, and having considered the Board of Directors' report, the shareholders resolve to amend Article 16.1 of the bylaws as follows:

Previous wording

16.1 Directors shall be appointed for a four-year term, except as provided otherwise in the laws and regulations applicable in the case of provisional directorship appointments by the Board.

Their duties shall cease at the close of the Ordinary Shareholders' Meeting held during the year their term of office expires to approve the financial statements for the previous year.

[...]

New wording

16.1 Directors shall be **appointed by the Annual General Meeting** for a four-year term, except as provided otherwise in the laws and regulations applicable in the case of provisional directorship appointments by the Board.

Notwithstanding the foregoing, the Board of Directors may propose that the shareholders appoint or re-appoint one or more Directors for a term of one, two or three years, in particular to enable Directors' terms of office to be staggered.

Their duties shall cease at the close of the Ordinary Shareholders' Meeting held during the year their term of office expires to approve the financial statements for the previous year.

[...]

Presentation of the nineteenth resolution

As a result of the amendment to Article 16.1 of the bylaws set out in the 18th resolution, the terms of office of the Directors representing employee shareholders as provided for in Article 14.8 of the bylaws need to be amended accordingly.

Text of the nineteenth resolution

Amendment to Article 14.8 of the bylaws – Terms of office of Directors representing employee shareholders

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, and having considered the Board of Directors' report, the shareholders resolve to amend Article 14.8 of the bylaws as follows:

Previous wording

[...]

Directors representing employee shareholders shall be appointed for a four-year term, expiring at the close of the Ordinary Shareholders' Meeting held during the year in which their term expires in order to approve the financial statements for the previous year. However, the term of a Director representing employee shareholders shall automatically be terminated and the Director shall be deemed to have resigned if he or she ceases to be an employee of the Company (or of a company or inter-company partnership related to the Company within the meaning of Article L.225-180 of the French Commercial Code or when the company which employs the person concerned ceases to be related to the Company within the meaning of the aforementioned article), or ceases to be a shareholder (or member of a corporate mutual fund holding shares in the Company), or under the conditions set down by law.

[...]

New wording

[...]

The term of office of Directors representing employee shareholders **corresponds to the term specified in Article 16.1 of these bylaws**. This term expires at the close of the Ordinary General Meeting held during the year in which their term expires in order to approve the financial statements for the previous year. However, the term of a Director representing employee shareholders shall automatically be terminated and the Director shall be deemed to have resigned if he or she ceases to be an employee of the Company (or of a company or inter-company partnership related to the Company within the meaning of Article L.225-180 of the French Commercial Code or when the company which employs the person concerned ceases to be related to the Company within the meaning of the aforementioned article), or ceases to be a shareholder (or member of a corporate mutual fund holding shares in the Company), or under the conditions set down by law.

[...]

Presentation of the twentieth resolution

The shareholders are invited to amend Article 14.9.3 of the bylaws relating to the organization and timing of elections of Directors representing employees, in order to delete the now obsolete provisions relating to the first election held in application of Act no. 2013-504 of June 14, 2013.

Text of the twentieth resolution

**Amendment to Article 14.9.3 of the bylaws – Elections of Directors representing employees –
Deletion of obsolete provisions**

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings and having considered the Board of Directors' report, the shareholders resolve to amend Article 14.9.3 of the bylaws as follows:

Previous wording	New wording
[...] The timing of the elections shall be such that the election results can be announced at least fifteen days before the expiration of the end of the term of office of outgoing employee representative Directors. For the first election held in application of French Act 2013-504 of June 14, 2013, the timing of the election shall be such that the election results can be announced within six months of the Annual General Meeting at which the bylaws were amended, as provided for in Article L.225-27-1 III of the French Commercial Code. [...]	[...] The timing of the elections shall be such that the election results can be announced at least fifteen days before the expiration of the end of the term of office of outgoing employee representative Directors. [...]

7.2.2.2 Financial authorizations

Safran needs to have the flexibility required to raise financing swiftly to support the ongoing operations and business development of the Company and of the Group, based on opportunities arising in financial markets and using the most suitable financial instruments.

To this end, shareholders are invited to grant the Board of Directors the necessary authorizations to issue shares and/or securities carrying immediate or deferred rights to shares of the Company.

These authorizations are of particular importance in a period where the Board of Directors and Executive Management must demonstrate responsiveness and agility to preserve the Group's resources and liquidity and maintain the continuity of its operations.

These authorizations could not be used during, or in the run-up to, a public offer for the Company's shares.

They would supersede the previous authorizations granted to the Board of Directors for the same purpose.

A summary table is provided in section 7.2.6 of this Universal Registration Document setting out the financial authorizations that the shareholders are being asked to approve.

Ceilings

The authorizations given in these resolutions would enable the Board of Directors to increase the Company's capital by a maximum nominal amount of €20 million (blanket ceiling set in the 21st resolution), corresponding to a maximum of 100 million shares and representing less than 24% of the Company's capital.

The following individual ceilings provided for in the various resolutions are included in this blanket ceiling (expressed in terms of nominal value):

- €20 million ceiling applicable to capital increases carried out with pre-emptive subscription rights for existing shareholders (21st resolution);
- €8 million ceiling (less than 10% of the Company's capital) applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2-1^o of the French Monetary and Financial Code (*Code monétaire et financier*) (22nd resolution);
- €8 million ceiling applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company (23rd resolution);
- €8 million ceiling applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2-1^o of the French Monetary and Financial Code (24th resolution);
- ceiling currently equal to 15% of any issues carried out pursuant to the 21st to 24th resolutions which are oversubscribed (25th resolution), also subject to the ceiling applicable in the relevant resolution.

The blanket ceiling set in the 21st resolution also includes any capital increases carried out as a result of employee share issues, which are capped at 1% of the Company's capital (27th resolution, see section 7.2.2.3).

None of the above ceilings include the par value of any additional shares that may be issued in the event of further corporate actions, in accordance with the applicable laws and regulations and any contractual provisions, to protect the rights of existing holders of securities carrying rights to shares of the Company or beneficiaries of free share grants.

If the authorizations granted in the 21st to 24th resolutions were to be used to issue debt securities, the aggregate nominal amount of said debt securities would not exceed €2 billion (or the euro-equivalent of this amount at the issue date for issues denominated in foreign currency or a monetary unit determined by reference to a basket of currencies).

Sub-ceilings applicable to issues carried out without pre-emptive subscription rights for existing shareholders

Issues carried out without pre-emptive subscription rights for existing shareholders (pursuant to the 22nd to 24th resolutions) are subject to a cumulative sub-ceiling of €8 million for capital increases (less than 10% of the Company's capital) and €2 billion for issues of debt securities.

Use of previous authorizations

The financial authorizations given to the Board of Directors at the May 25, 2023 Annual General Meeting were used as follows:

- The Board of Directors used the authorization granted under the 27th resolution of the May 25, 2023 Annual General Meeting on two occasions:
 - on March 21, 2024 (2024 Long-Term Incentive Plan – see sections 6.6.5.2.2 and 7.3.7.1 of the 2023 Universal Registration Document and section 2.6.5.2.1 of this Universal Registration Document); and
 - on March 20, 2025 (2025 Long-Term Incentive Plan – see section 2.6.5.2.2 of this Universal Registration Document).
- The authorization given to the Board of Directors in the 28th resolution of the May 25, 2023 Annual General Meeting was used on May 25, 2023 to grant 10 Safran shares (or share equivalents) to employees of the Group (see sections 5.4.1.7 and 7.3.7.1 of the 2023 Universal Registration Document).

The other authorizations with respect to share capital increases granted to the Board of Directors by the Annual General Meeting were not used in 2024 nor between January 1, 2025 and the filing date of this Universal Registration Document.

Presentation of the twenty-first resolution

Issue of various shares and/or other securities with pre-emptive subscription rights, and blanket ceiling for capital increases with or without pre-emptive subscription rights

The purpose of the 21st resolution is to authorize the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders. The pre-emptive rights granted to existing shareholders may be detached from the shares to which they relate and may be transferred or traded throughout the subscription period of any issues carried out under this authorization.

These pre-emptive subscription rights would entitle their holders to subscribe for a number of new shares proportionate to the number of pre-emptive rights held, during a period corresponding to at least five trading days from the opening of the subscription period.

The Board of Directors would be able to use this authorization at any time **except during, or in the run-up to, a public offer** for the Company's shares.

The maximum nominal amount of any capital increases carried out pursuant to this resolution – either immediately or on the exercise of rights to shares of the Company – would be set at €20 million (representing approximately 23.6% of the Company's capital).

This €20 million ceiling corresponds to a blanket ceiling covering all of the capital increases, with or without pre-emptive subscription rights, that may be carried out pursuant to this resolution as well as the 22nd to 24th and 27th resolutions.

The maximum principal amount of any debt securities issued would be set at €2 billion. The nominal amount of any capital increases resulting from the exercise of rights attached to debt securities carrying rights to shares of the Company would be included in the €20 million blanket ceiling on capital increases set in the 21st resolution.

This €2 billion ceiling corresponds to a blanket ceiling covering the principal amount of all debt securities that may be issued pursuant to this resolution as well as the 22nd to 24th resolutions.

This authorization would supersede, as of the date of this Meeting, the unused portion of any previous authorization granted for the same purpose.

Text of the twenty-first resolution

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares, and blanket ceiling for capital increases with or without pre-emptive subscription rights for shareholders

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2 and L.225-132 of the French Commercial Code, as well as Articles L.228-91 *et seq.* of said Code, and having noted that the share capital has been fully paid up, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, shares or other securities, with pre-emptive subscription rights for existing shareholders. The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad, and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies. This authorization may be used to issue:
 - ordinary shares; and/or
 - securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company; and/or
 - securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly ("a Subsidiary").

The securities carrying rights to shares of the Company or a Subsidiary may consist of debt securities, or be associated with the issue of debt securities or allow their issue as intermediate securities, and said debt securities may represent senior or junior debt, may be dated or undated, and may be denominated in euros or in any other currency.

The shares or securities may be paid up in cash, or by capitalizing liquid and callable debt, or partly in cash and partly by capitalizing reserves, retained earnings, profits or additional paid-in capital.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:
 - the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either immediately or on the exercise of rights to shares of the Company – is set at €20 million corresponding to 100 million shares. This €20 million ceiling represents a blanket ceiling covering all of the capital increases that may be carried out under this authorization and the authorizations granted in the 22nd to 24th and 27th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company;

- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This €2 billion ceiling (i) represents a blanket ceiling covering the principal amount of all debt securities that may be issued under this authorization and the authorizations granted in the 22nd to 24th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (ii) is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code, and (iii) does not include the amount of any redemption premiums.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve that existing shareholders will have pre-emptive rights to subscribe for the securities issued pursuant to this authorization, in proportion to their existing holdings.
4. Note that in accordance with the law, the Board of Directors may grant shareholders additional pre-emptive rights to subscribe for any securities not taken up by other shareholders exercising their pre-emptive subscription rights. Such additional rights will also be exercisable in proportion to shareholders' existing holdings and within the limits of their requests.
5. Resolve that if an issue is not taken up in full by shareholders exercising their pre-emptive rights as described above, the Board of Directors may take one or more of the following courses of action, in accordance with the law and in the order of its choice:
 - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
 - freely allocate all or some of the unsubscribed securities;
 - offer some or all of the unsubscribed securities on the open market, either in France or abroad.
6. Resolve that Safran stock warrants may be offered for subscription on the above basis or allocated without consideration to existing shareholders. In the latter case, the Board of Directors will have full powers to decide that rights to fractions of warrants will not be transferable or tradable and that the corresponding warrants will be sold.

7. Resolve that the Board of Directors may suspend the exercise of rights attached to securities with immediate or deferred rights to shares of the Company in accordance with the applicable regulations, and make any adjustments in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company.
8. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company or a Subsidiary;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level;
- in the case of the issue of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company or a Subsidiary, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Presentation of the twenty-second to twenty-fourth resolutions

Issue of shares and/or other securities without pre-emptive subscription rights

The purpose of the 22nd to 24th resolutions is to authorize the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders. The waiver of shareholders' pre-emptive subscription rights would make it easier to carry out public offers, especially when an issue has to be organized swiftly in order for it to be successful, or when shares or other securities are offered in financial markets both in France and abroad.

The Board of Directors would be able to use these authorizations at any time **except during, or in the run-up to, a public offer** for the Company's shares.

The maximum nominal amount of any capital increases carried out using these three authorizations would be set (both per authorization and cumulatively) at €8 million, representing less than 10% of the Company's capital. The amounts used under these authorizations would be included in the blanket ceiling set in the 21st resolution.

The maximum principal amount of any debt securities issued using these three authorizations would be set (both per authorization and cumulatively) at €2 billion. The amounts used under these authorizations would be included in the €2 billion blanket ceiling set in the 21st resolution. The nominal amount of any capital increases resulting from the exercise of rights attached to debt securities carrying rights to shares of the Company would be included in the €8 million individual and cumulative ceiling set in the 22nd to 24th resolutions (and therefore in the blanket ceiling set in the 21st resolution).

These authorizations would supersede, as of the date of this Meeting, the unused portions of all previous authorizations for the same purpose:

- 22nd resolution (public offers other than offers governed by Article L.411-2-1^o of the French Monetary and Financial Code). In this resolution, the Board is seeking an authorization to issue ordinary shares and/or securities carrying rights to shares of the Company, by way of a public offer. If this resolution is adopted, the Board of Directors would be able to grant shareholders a non-transferable and non-tradable priority subscription right for a period set in accordance with the applicable laws and regulations.
- 23rd resolution (issues carried out in the event of a public exchange offer initiated by the Company). The purpose of this resolution is to authorize the Board to issue shares of the Company and/or securities carrying rights to shares of the Company as payment for securities of another company that are tendered to a public exchange offer initiated by the Company in France or abroad.
- 24th resolution (offers governed by Article L.411-2-1^o of the French Monetary and Financial Code). This resolution would authorize the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, by way of an offer to qualified investors or a restricted group of investors. The simplified procedure for this type of public offer, as proposed in the 22nd resolution, would enable the Company to react swiftly to market opportunities and rapidly raise the funds it requires.

The law currently offers the Board of Directors the option of freely setting the issue price of any shares or securities issued under the 22nd and 24th resolutions. However, the Board recommends that shareholders stipulate in these two resolutions that the price will be at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 10%, in line with accepted market practice.

Text of the twenty-second resolution

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2-1 of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129 *et seq.*, L.225-129-2, L.225-135, L.22-10-51, L.225-136 and L.22-10-52 of the French Commercial Code, as well as Articles L.228-91 *et seq.* of said Code, and having noted that the share capital has been fully paid up, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, shares or other securities, through a public offer in France or abroad. The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies. This authorization may be used to issue:

- ordinary shares; and/or

- securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company; and/or
- securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly ("a Subsidiary").

The securities carrying rights to shares of the Company or a Subsidiary may consist of debt securities, or be associated with the issue of debt securities or allow their issue as intermediate securities, and said debt securities may represent senior or junior debt, may be dated or undated, and may be denominated in euros or in any other currency.

The shares or securities may be paid up in cash, or by capitalizing liquid and callable debt, or partly in cash and partly by capitalizing reserves, retained earnings, profits or additional paid-in capital.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:
 - the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either immediately or on the exercise of rights to shares of the Company – is set at €8 million. This €8 million ceiling (i) represents an overall ceiling on the nominal amount of the capital increases that may be carried out under this authorization and the authorizations granted in the 23rd to 25th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), and (ii) is included in the blanket ceiling set in the 21st resolution (or in any ceiling set in a resolution with the same purpose that could supersede the aforementioned resolution during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company;
 - the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies), it being specified that (i) this €2 billion ceiling represents a blanket ceiling covering the principal amount of all debt securities that may be issued under this authorization and the authorizations granted in the 23rd and 24th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (ii) the principal amount of any debt securities that may be issued under this authorization will be deducted from the blanket ceiling set in the 21st resolution of this Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (iii) this amount is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code, and (iv) does not include the amount of any redemption premiums.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve to waive shareholders' pre-emptive rights to subscribe for the shares and/or other securities to be issued under this authorization. However, in accordance with Article L.22-10-51 and Article R.225-131 of the French Commercial Code, the Board of Directors may offer existing shareholders a priority right to subscribe for all or part of any issue(s) carried out under this authorization for a period set in accordance with the applicable laws and regulations. Such priority rights will not be transferable or tradable and will be exercisable in proportion to shareholders' existing interests.

4. Resolve that if an issue is not taken up in full (including by shareholders exercising their above-mentioned priority rights), the Board of Directors may take one or the other of the following courses of action, in accordance with the law and in the order of its choice:
 - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
 - freely allocate all or some of the unsubscribed securities.
5. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.
6. Resolve that the issue price of the shares or securities carrying rights to shares will be at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 10%.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company or a Subsidiary;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to shares of the Company, in accordance with the applicable laws, regulations and contractual provisions;
- in the case of the issue of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company or a Subsidiary, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Text of the twenty-third resolution

Authorization for the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2 to L.225-129-6, L.22-10-49, L.22-10-54, L.225-132 and L.228-91 *et seq.* of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to issue ordinary shares of the Company and/or securities carrying immediate or deferred rights to shares of the Company as payment for securities of another company tendered to a public exchange offer initiated by the Company. The shareholders further authorize the Board to cancel existing shareholders' pre-emptive rights to subscribe for the shares and/or other securities issued under this authorization.

The securities carrying rights to shares of the Company may consist of debt securities, or be associated with the issue of debt securities or allow their issue as intermediate securities, and said debt securities may represent senior or junior debt, may be dated or undated, and may be denominated in euros or in any other currency.

This authorization may be used in connection with any public exchange offer initiated by the Company, in France or abroad, for the securities of another company listed on one of the regulated markets referred to in Article L.22-10-54 of the French Commercial Code, or any other type of public offer that complies with the applicable laws and regulations, including notably any public exchange offer, any alternative public purchase or exchange offer, any stock-for-stock and stock-for-cash purchase or exchange offer, any public purchase or exchange offer combined with a secondary purchase or exchange offer, or any other type of public offer that complies with the applicable laws and regulations.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless (i) the Company has already announced its own public offer prior to that period, and (ii) it obtains the prior approval of the shareholders in a General Meeting.

2. Note that in accordance with Article L.225-132 of the French Commercial Code, in the event of an issue of securities carrying immediate or deferred rights to shares of the Company, this authorization entails the waiver by existing shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.

3. Resolve that if the Board of Directors uses this authorization:

- the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either immediately or on the exercise of rights to shares of the Company – is set at €8 million. This ceiling is included in the €8 million overall ceiling set in the 22nd resolution above and the blanket ceiling set in the 21st resolution (or any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company;
- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling is (i) included in the €2 billion overall ceiling set in the 22nd resolution of this Annual General Meeting and is deductible from the blanket ceiling set in the 21st resolution (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (ii) is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code, and (iii) does not include the amount of any redemption premiums.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

4. Resolve that the Board of Directors will have full powers to use this authorization, in particular to carry out issues of shares and/or securities carrying immediate or deferred rights to shares of the Company in connection with public offers that fall within the scope of this resolution, and notably to:
 - set the exchange ratio as well as any balance to be paid in cash;
 - place on record the number of securities tendered to the exchange;
 - determine the timing and other terms and conditions of the issue(s) and notably the price and cum-rights date (which may be retroactive) of the securities issued in accordance with this resolution;

- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to shares of the Company, in accordance with the applicable laws, regulations and contractual provisions;
- credit the difference between the issue price of the new shares and their par value to a "contribution premium" account to which all shareholders will have equivalent rights;

- charge all the issuance costs against the contribution premium; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Text of the twenty-fourth resolution

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2-1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129 *et seq.*, L.225-129-2, L.225-135, L.225-136, L.22-10-49, L.22-10-51 and L.22-10-52 of the French Commercial Code, as well as Articles L.228-91 *et seq.* of said Code and Article L.411-2-1° of the French Monetary and Financial Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, ordinary shares and/or securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company, through an offer governed by Article L.411-2-1° of the French Monetary and Financial Code. The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad, and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies. This authorization may be used to issue:
 - ordinary shares; and/or
 - securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company; and/or
 - securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly ("a Subsidiary").

The securities carrying rights to shares of the Company or a Subsidiary may consist of debt securities, or be associated with the issue of debt securities or allow their issue as intermediate securities, and said debt securities may represent senior or junior debt, may be dated or undated, and may be denominated in euros or in any other currency.

The shares or securities may be paid up in cash, or by capitalizing liquid and callable debt, or partly in cash and partly by capitalizing reserves, retained earnings, profits or additional paid-in capital.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:
 - the maximum nominal amount of capital increases that may be issued pursuant to this authorization – either immediately or on the exercise of rights to shares of the Company – will be €8 million. This ceiling is included in the €8 million overall ceiling set in the 22nd resolution above and the blanket ceiling set in the 21st resolution (or in any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company;
 - the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling is (i) included in the €2 billion overall ceiling set in the 22nd resolution of this Annual General Meeting and is deductible from the blanket ceiling set in the 21st resolution (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (ii) is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code, and (iii) does not include the amount of any redemption premiums.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve to waive shareholders' pre-emptive rights to subscribe for the shares and/or other securities to be issued under this authorization.
4. Resolve that if an issue is not taken up in full, the Board of Directors may limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up.
5. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.
6. Resolve that the issue price of the shares or securities carrying rights to shares will be at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 10%.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company or a Subsidiary;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to shares of the Company, in accordance with the applicable laws, regulations and contractual provisions;
- in the case of the issue of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company or a Subsidiary, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Presentation of the twenty-fifth resolution

In the 25th resolution, the Board of Directors is seeking an authorization to increase the number of securities to be issued in the event that an issue carried out with or without pre-emptive subscription rights as decided by the Board of Directors pursuant to the 21st, 22nd, 23rd or 24th resolutions is oversubscribed.

The Board of Directors would be able to use this authorization at any time **except during, or in the run-up to, a public offer** for the Company's shares. The additional securities would be issued at the same price as for the original issue in

accordance with the timeframes and ceilings specified in the applicable laws and regulations in force on the issue date (currently, they must be issued within 30 days of the close of the original subscription period and may not represent more than 15% of the original issue amount). The sub-ceilings and ceilings set in the 21st, 22nd, 23rd and 24th resolutions would apply if the 25th resolution is used. Any issues of additional securities carried out under this resolution may not result in the ceiling(s) set in the original resolution being exceeded.

This authorization would supersede, as of the date of this Meeting, the unused portion of any previous authorization granted for the same purpose.

Text of the twenty-fifth resolution

Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 21st, 22nd, 23rd or 24th resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares

Having considered the Board of Directors' report, in accordance with French company law, notably Articles L.225-135-1, L.22-10-51 and R.225-118 of the French Commercial Code, and subject to the adoption of the 21st, 22nd, 23rd or 24th resolutions, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights as decided by the Board of Directors pursuant to the 21st, 22nd, 23rd or 24th resolutions, notably in order to grant an overallotment option in accordance with standard market practices. The additional securities will be issued at the same price as for the original issue in accordance with the timeframes and ceilings specified in the applicable laws and regulations in force on the issue date (currently, they must be issued within 30 days of the close of the original subscription period and may not represent more than 15% of the original issue amount). In the case of an issue carried out with pre-emptive subscription rights, any additional securities issued pursuant to this resolution may only be offered to shareholders in proportion to their existing holdings.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that the nominal amount of any capital increases carried out as a result of the shares or other securities issued pursuant to this resolution will be included in the ceiling(s) provided for in the resolution under which the original issue is decided (or in any ceiling(s) set in any resolution with the same purpose that could supersede the resolution concerned during the validity period of this authorization).

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Presentation of the twenty-sixth resolution

Capitalization of reserves, retained earnings, profits or additional paid-in capital

The purpose of the 26th resolution is to authorize the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital brought forward from prior years.

The aggregate nominal amount of any capital increases carried out pursuant to this resolution would not exceed €12.5 million (i.e., around 14.8% of the share capital).

The Board of Directors would be able to use this authorization at any time **except during, or in the run-up to, a public offer** for the Company's shares.

This authorization would supersede, as of the date of this Meeting, the unused portion of any previous authorization granted for the same purpose.

Text of the twenty-sixth resolution

Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in extraordinary session but in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2 and L.225-130 of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital, on one or more occasions, to be paid up by capitalizing reserves, retained earnings, profits or additional paid-in capital and/or other items that may be capitalized in accordance with the applicable laws and the Company's bylaws, by issuing bonus shares and/or raising the par value of existing shares. The amounts and timing of such issues will be determined at the Board's discretion.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that the maximum nominal amount of any capital increases carried out pursuant to this authorization will not exceed €12.5 million, not including the par value of any additional shares to be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company.
3. Resolve that rights to fractions of shares will not be transferable or tradable and that the corresponding shares will be sold, with the proceeds allocated to the holders of the rights in accordance with the applicable laws.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization and to take any and all measures and carry out any and all formalities required to successfully complete the capital increase(s), as well as to place on record the capital increase(s) and amend the Company's bylaws to reflect the new capital.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

7.2.2.3 Share capital increase reserved for employees

Presentation of the twenty-seventh resolution

Share capital increase reserved for employees

In the 27th resolution, shareholders are invited to authorize the Board of Directors to offer employees who are members of a Group employee savings plan the possibility to subscribe for the Company's shares with a view to involving them more closely in the Group's development.

This resolution is being submitted in accordance with paragraph 1 of Article L.225-129-6 of the French Commercial Code, which states that whenever companies seek authorizations to issue shares to be paid up in cash, they must also submit a resolution on employee share issues.

If this authorization is approved, it will necessarily entail the waiver of existing shareholders' pre-emptive rights to subscribe for the shares covered by the employee share issue(s) concerned.

Employee shareholdings (within the meaning of Article L.225-102 of the French Commercial Code) represented 5.68% of the Company's capital at February 28, 2025.

Shares issued under this resolution could not exceed 1% of the Company's capital and would be included in the €20 million blanket ceiling on capital increases set in the 21st resolution.

In accordance with Article L.3332-19 of the French Labor Code (*Code du travail*), the purchase price of the shares offered to employees may not be higher than the average price over the 20 trading days preceding the Board of Directors' decision setting the opening date for the subscription period. In addition, it may not be more than 30% below this average, or 40% depending on the lock-up period applicable under the employee savings plan, in accordance with Article L.3332-19 of the French Labor Code.

This authorization would supersede, as of the date of this Meeting, the unused portion of any previous authorization granted for the same purpose.

Text of the twenty-seventh resolution

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Safran Group employee savings plan, without pre-emptive subscription rights for existing shareholders

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, and Articles L.3332-18 *et seq.* of the French Labor Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions and with or without consideration, ordinary shares or securities with immediate or deferred rights to ordinary shares of the Company to employees of the Company and of any French or foreign companies affiliated to it within the meaning of Article L.225-180 of the French Commercial Code, who are members of the Group employee savings plan or any company employee savings plan in place within the Group. The amounts and timing of such issues will be determined at the Board's discretion.

Said shares or other securities may be paid up in cash or by capitalizing liquid and callable debt, or by capitalizing reserves, retained earnings, profits or additional paid-in capital in the case of shares or other securities carrying rights to shares allocated without consideration in respect of the discount and/or the employer's top-up contribution.

2. Resolve that the maximum nominal amount of any capital increases carried out pursuant to this authorization may not represent more than 1% of the Company's capital at the date of the Board of Directors' decision to carry out the issue, it being specified that (i) this ceiling does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company and (ii) the nominal amount of any capital increases carried out pursuant to this authorization will be included in the blanket ceiling for capital increases set in the 21st resolution of this Meeting (or in any ceiling set in any resolution with the same purpose that could supersede the aforementioned resolution during the validity period of this authorization).
3. Resolve that, in accordance with Article L.3332-19 of the French Labor Code, the purchase price of the shares offered to employees under this authorization may not be greater than the average price over the 20 trading days preceding the Board of Directors' decision setting the opening date for the subscription period, or more than 30% below this average, or 40% depending on the lock-up period applicable under the employee savings plan.
4. Resolve that the Board of Directors will have full powers to grant to the above beneficiaries, without consideration and in addition to the shares to be subscribed for in cash, new or existing shares or securities carrying immediate or deferred rights to shares, in place of all or part of the discount compared with the above reference price and/or the employer's top-up contribution, it being specified that the benefit resulting from such grants may not exceed the legal or regulatory limits as provided for in Articles L.3332-1 to L.3332-21 of the French Labor Code.

5. Note that this authorization automatically entails the waiver by existing shareholders of their pre-emptive rights to subscribe for the shares offered to employees under the issue carried out under this resolution.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization, and in particular to (i) set the terms and conditions of the capital increase(s), (ii) draw up the list of companies whose employees will be eligible for the share issue(s), (iii) set the conditions, particularly concerning length of service, that the beneficiaries will have to meet in order to subscribe, on an individual basis or through a corporate mutual fund, for the shares or other securities carrying rights to shares issued pursuant to this authorization, (iv) set the dates and terms and conditions of the issue(s), (v) set the start and end

dates of the subscription period(s), (vi) determine the price and the cum-rights date of the shares issued, (vii) determine the method by which the shares will be paid up, (viii) charge the issuance costs against the related premium and deduct from the premium the amounts necessary to raise the legal reserve to the required level, and more generally (ix) take all appropriate measures and enter into any agreements to successfully complete the share issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the shares issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

7.2.2.4 Capital reduction by canceling treasury shares

Presentation of the twenty-eighth resolution

In the 28th resolution, the Board of Directors is seeking an authorization to reduce the Company's capital by canceling all or some of the treasury shares purchased under share buyback programs previously authorized by shareholders as well as the new program proposed in the 15th resolution of the May 22, 2025 Meeting.

The Company may choose to cancel treasury shares in order to achieve certain financial objectives, such as actively managing its capital, optimizing its balance sheet structure or offsetting the dilutive impact of capital increases.

In compliance with the applicable law, the number of shares canceled in any 24-month period could not exceed 10% of the Company's capital. On December 12, 2024, the Company's capital was reduced by €725,590.80 through the cancellation of 3,627,954 Safran shares held in treasury, representing a 0.85% reduction in the Company's capital at that date.

This authorization would be given for a period of 24 months and would supersede any previous authorization for the same purpose.

Text of the twenty-eighth resolution

Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Article L.22-10-62 of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to reduce the Company's capital on one or more occasions, in the proportions and on the dates it deems appropriate, by canceling all or some of the treasury shares held by the Company as a result of implementing a share buyback program. The number of treasury shares that may be canceled within any 24-month period may not exceed 10% of the Company's capital. This 10% ceiling will apply to the amount of the Company's capital as adjusted, where applicable, to take into consideration any corporate actions that may be carried out after this Annual General Meeting.

2. Resolve that the Board of Directors – or any representative duly empowered in accordance with the law – will have full powers to implement this resolution and in particular to:

- set the definitive amount of the capital reduction;
- set the terms and conditions of the capital reduction and carry it out;
- charge the difference between the carrying amount of the canceled shares and their par value against any available reserves and additional paid-in capital accounts;
- place on record the completion of the capital reduction and amend the Company's bylaws accordingly; and
- carry out any formalities and other measures and generally do everything necessary to implement this authorization.

This authorization is given for a period of 24 months from the date of this Meeting and supersedes, as of that date, any previous authorization for the same purpose.

7.2.2.5 Performance shares (free share grants subject to performance conditions)

Presentation of the twenty-ninth resolution

In the 29th resolution, shareholders are invited to authorize the Board of Directors to grant performance shares to (i) employees or certain categories of employees of the Company and/or of other Group entities, and/or (ii) corporate officers of the Company and/or other Group entities (except the Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law.

Performance share grants are a common method used by companies in order to strengthen the motivation and teamwork of beneficiaries and foster their loyalty, while at the same time aligning their interests with those of the Company and its shareholders. They are also in line with the strategy of linking the incentives of senior executives to share performance – with the inherent risks and rewards that this involves – in order to encourage long-term reasoning in their actions.

The Board of Directors would determine the beneficiaries of the grants and set the terms and conditions thereof as well as the applicable eligibility criteria.

The shares granted could either be new shares or existing shares bought back by the Company under the terms and conditions provided for by law.

This authorization would entail the waiver by existing shareholders of their pre-emptive rights to subscribe for any shares issued pursuant to this resolution.

This authorization would supersede, as of the date of this Meeting, the unused portion of any prior authorization for the same purpose.

The main characteristics of any performance share grants carried out using this authorization would be as follows:

Performance conditions

Performance share grants would be subject to the achievement of internal and external performance conditions, assessed over three full consecutive fiscal years, including the year of grant.

This rule would apply to all beneficiaries regardless of the weighting of the various conditions, which vary according to the different beneficiary categories.

Standard internal conditions applying to all beneficiaries

These standard internal performance conditions would count for at least 70% of the total for the beneficiaries and would be based on the Group's financial and economic performance as well as, by decision of the Board of Directors, on the Group's non-financial performance.

By way of illustration, the internal performance conditions applied for previous plans were as follows, it being specified that the elements of the performance conditions (criteria, threshold, target, etc.) are set by the Board of Directors:

a) Financial and economic performance

Under this set of internal conditions, the two standard internal performance conditions relating to the Group's financial and economic performance would be based on:

- ROI (adjusted recurring operating income, see section 1.5.2 of this Universal Registration Document);
- FCF (free cash flow, see section 1.5.3 of this Universal Registration Document);

each counting for half of the weighting assigned to these financial and economic conditions.

The achievement levels for these conditions would be measured by reference to the average of the ROI and FCF targets for the fiscal year in which the grant takes place and for the following two fiscal years, as set in the Group's most recent medium-term plan (MTP) or in the budget based on the MTP for the fiscal year in progress, as adjusted to factor in any exceptional circumstances or events and approved by the Board of Directors before the grant date (the "Reference Target"). The following achievement levels would be set for these conditions:

- lowest achievement level: if 80% of the Reference Target were achieved, 40% of the shares contingent on that target would vest;
- target achievement level: if 100% of the Reference Target were achieved, 80% of the shares contingent on that target would vest;
- highest achievement level (cap): if 125% of the Reference Target were achieved, 100% of the shares contingent on that target would vest.

Between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that would vest would vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the internal performance condition concerned would vest.

The performance criteria would be measured by comparing results against a same-scope reference base. If an entity is deconsolidated, the reference bases used for past grants would be adjusted to exclude the amounts related to the deconsolidated entity for the years concerned. For the first performance share grant after a new entity has been consolidated, additional performance conditions may be added. Past grants would continue to be measured, whenever possible, based on the previous scope of consolidation (i.e., not including the newly consolidated entity).

b) Non-financial performance

Under this set of internal conditions, the non-financial condition(s) would relate to CSR and sustainable development objectives. These conditions, which would be defined by the Board of Directors prior to the grant date, could take into account the Group's medium-term priorities or strategic challenges on these issues. They would be quantifiable or measurable, making it possible to objectively monitor them and identify the actual achievement rate at the end of the performance period. They would be disclosed and their weighting would reduce the weighting of the internal financial and economic performance conditions.

For the 2024 grant, made on the basis of the authorization granted in the 27th resolution of the May 25, 2023 Annual General Meeting, the condition relating to non-financial performance accounts for 20% of the 70% allocated to standard internal conditions.

c) Possible additional performance conditions

As well as the portion attributed to the “standard” internal performance conditions, the Board of Directors may, at its discretion, apply additional demanding and quantifiable performance conditions for which it would define the parameters, to take into account the Group’s medium-term priorities and challenges. In such a case, the additional performance conditions and their parameters, as defined by the Board of Directors prior to the grant, would be disclosed and their weighting would reduce the weighting of the “standard” internal performance conditions.

External performance condition

The external performance condition would be based on Safran’s total shareholder return (TSR) performance as measured relative to a group of peer companies operating in the same business sectors as Safran or enlarged to include other comparable companies operating in other sectors, or including or made up of one or more indices. The composition of this panel of peer companies may change in order to factor in changes in the structure or operations of the Group or of the peer companies concerned. The composite index currently used enables simultaneous comparison with the European market, the US market and the reference index for the French market. This composite index is made up of:

- the STOXX® Europe TMI Aerospace & Defense index (Stoxx A&D Net Return);
- the S&P Aerospace & Defense Industry Select index (S&P A&D);
- the CAC 40 index (CAC 40 Gross Return).

Each of these three indices counts for one-third of the composite index.

The external performance condition would count for 30% for the Chief Executive Officer, although the Board of Directors may, at its discretion, revise the weighting of this external condition, but to no less than 20%, in order to increase the weighting of the standard internal conditions to 80% where required, particularly if the Board believes that it would be useful or necessary to do so in light of the Group’s strategic priorities and/or medium-term imperatives. If the Board does decide to revise this weighting, it will disclose this fact via a press release. For other beneficiaries, the external performance condition could count for a lower percentage, but would in any event not be less than 10%.

The following achievement levels would be set for this condition:

- lowest achievement level: if Safran’s TSR were equal to that of the composite index, 40% of the shares contingent on the external performance condition would vest;
- target achievement level: if Safran’s TSR were 8 points higher than that of the composite index, 80% of the shares contingent on the external performance condition would vest;
- highest achievement level: if Safran’s TSR were 12 points higher than that of the composite index, 100% of the shares contingent on the external performance condition would vest.

Between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that would vest would vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the external performance condition would vest.

Under the rules of the performance share plan, the shares would only vest if the beneficiary still forms part of the Group on the vesting date, apart from in a limited number of cases (death, disability, retirement of the beneficiary or a specific decision by the Board of Directors).

a) Vesting and lock-up periods

The shares granted would be subject to a vesting period set by the Board of Directors, which may not be less than three years.

In addition, the shares granted to the Chief Executive Officer or other corporate officers of the Company would be subject to a lock-up period set by the Board of Directors, which may not be less than one year as from the vesting date. In principle, the minimum lock-up period of at least one year would also apply to members of the Company’s Executive Committee; exceptions, however, may apply to some of them (other than the Company’s Chief Executive Officer) in view of their nationality, tax residence or related personal situation. As an exception and for illustration purposes, the Board of Directors could set up an alternative arrangement allowing them to sell some of the shares delivered on the vesting date to cover the tax due on that date, and decide to waive the lock-up period if it would result in the double taxation of the beneficiary.

b) Ceilings

The total number of performance shares granted under this authorization would not exceed 0.4% of the Company’s capital at the date of the Board of Directors’ decision to grant the performance shares (main ceiling), within the limit of two-thirds of this percentage in any given fiscal year (sub-ceiling).

In addition, for each grant of performance shares, the maximum number of shares granted to each of the Company’s corporate officers would be set at 5% of the total number of shares making up the grant (representing a sub-ceiling of 0.01% of the Company’s capital per corporate officer and fiscal year).

c) Anticipated use

If it is approved by shareholders, in line with its long-term compensation policy (Long-Term Incentive Plan), the Board of Directors intends to use this authorization to set up annual performance share plans with the characteristics, performance conditions and ceilings described above.

d) Use of authorization previously granted

Using the authorization granted in the 27th resolution of the May 25, 2023 Annual General Meeting, the Board of Directors authorized grants of performance shares to certain managers and senior executives of the Group (top executives (*hors statut*)) in certain categories corresponding to levels of responsibility in the human resources organization and young talents), first on March 21, 2024 (2024 Long-Term Incentive Plan, as described in sections 6.6.5.2.2 and 7.3.7.1 of the 2023 Universal Registration Document), and then on March 20, 2025 (2025 Long-Term Incentive Plan, as described in section 2.6.5.2.2 of this Universal Registration Document) (see the press releases available on the Company’s website, www.safran-group.com/group/governance).

Text of the twenty-ninth resolution

Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and with performance conditions, to employees and corporate officers of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary Shareholders' Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Articles L.225-197-1 *et seq.* and L.22-10-59 *et seq.* of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to grant, on one or more occasions, existing or new Safran shares, without consideration, to (i) employees or certain categories of employees of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code, and/or (ii) corporate officers of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code (except for the Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law. The amounts and timing of such grants will be determined at the Board's discretion.
2. Resolve that the total number of existing or new shares granted without consideration under this authorization may not exceed 0.4% of the number of shares making up the Company's share capital on the date of the Board of Directors' decision to grant the shares, within the limit of two-thirds of this percentage in any given fiscal year, it being specified that this ceiling takes into account any shares to be granted in respect of adjustments to be made, in accordance with the applicable laws and regulations and any contractual stipulations, to protect the rights of the beneficiaries of the performance shares.
3. Resolve that for each performance share grant, any shares granted to the Company's corporate officers in accordance with the conditions provided for by law may not represent more than 5% of the total number of shares making up the grant (per corporate officer).
4. Resolve that the shares granted pursuant to this authorization will be subject to performance conditions set by the Board of Directors based on the recommendations of the Appointments and Compensation Committee and assessed over a minimum period (the "vesting period") of three consecutive fiscal years, including the year of grant.
5. Resolve that the shares granted will be subject to a vesting period which will be set by the Board of Directors but may not be less than three years, followed, in certain cases, by a lock-up period whose duration will also be set by the Board of Directors.
6. Resolve that any performance shares granted to the Company's corporate officers will be subject to a lock-up period that will be set by the Board of Directors but may not be less than one year as from the vesting date.
7. Resolve that the shares will vest before the expiration of the above-mentioned vesting period and will be freely transferable before the expiration of the above-mentioned lock-up period in the event that the beneficiary becomes disabled, within the meaning of the definition set down in the second or third categories under Article L.341-4 of the French Social Security Code (or the equivalent in any foreign country).
8. Note that if new shares are issued for the purpose of allocating the free shares, this authorization will result in capital increases paid up by capitalizing reserves, retained earnings, profits or additional paid-in capital as the shares vest, as well as a corresponding waiver by shareholders of their pre-emptive rights to subscribe for the shares issued as part of these capital increases.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization within the limits set by the applicable laws and regulations and in particular to:

- determine if the shares granted without consideration will be new shares or existing shares, it being specified that the Board may change its choice before the vesting date;
- draw up the list or categories of eligible beneficiaries of the shares, as well as the number of shares allocated to each beneficiary;
- where applicable, set and amend the applicable performance and vesting conditions, notably the duration of the vesting period and lock-up period, particularly concerning the Company's corporate officers and members of the Executive Committee;
- provide for the possibility to defer the vesting date of the shares granted, if necessary;
- provide for the possibility to provisionally suspend the beneficiaries' rights to receive the shares;
- place on record the vesting dates of the shares granted and the dates from which the shares may be freely transferred or sold;
- make any adjustments required during the vesting period to the number of free shares granted in order to protect the rights of beneficiaries, it being specified that the shares granted in connection with any such adjustments will be deemed to have been granted on the same date as the initial grant;
- in the event of the issue of new shares, (i) deduct, where applicable, from reserves, retained earnings, profits or additional paid-in capital, the amounts necessary to pay up the shares, (ii) place on record the capital increases carried out pursuant to this authorization, (iii) amend the Company's bylaws to reflect the new capital; and generally
- take all appropriate measures and enter into any and all agreements to successfully complete the share grants.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

7.2.3 Resolution concerning powers to carry out formalities

Presentation of the thirtieth resolution

The 30th resolution concerns the powers that are necessary to carry out the filing and other legal formalities required for the resolutions adopted at the meeting.

Text of the thirtieth resolution

Powers to carry out formalities

The shareholders give full powers to the bearer of an original, extract or copy of the minutes of this Meeting to carry out any and all filing, publication, declaration and other formalities required by the applicable laws and regulations.

7.2.4 Nominees to the Board of Directors

Appointment of Valérie Baudson as an independent Director

Based on the recommendation of the Appointments and Compensation Committee, the Board of Directors is inviting the shareholders to appoint Valérie Baudson as an independent Director, for a term of four years expiring at the close of the Annual General Meeting to be held in 2029 (see section 7.2.1.4).

Valérie Baudson's profile is set out below.



Valérie Baudson

Put forward for appointment as an independent Director

Born in 1971, and a French national, Valérie Baudson is a graduate of the HEC Paris business school.

She began her career in 1995 at Banque Indosuez in the General Audit department. She then joined Crédit Agricole Cheuvreux, the European brokerage subsidiary of the Crédit Agricole group, as Corporate Secretary before going on to become Marketing Director for Europe.

Valérie Baudson joined Amundi in 2007 to create the ETF business line (the second largest player in Europe). She became a member of the Amundi group's Executive Committee in 2013, then a member of the Management Committee in 2016 when she was also appointed Managing Director of CPR AM, an active asset management company well known for its topical & ESG expertise. At the same time, she took on the supervision of Amundi's subsidiaries in Germany and Spain. In 2020, she also became head of the Amundi group's division dedicated to retail and private banking clients worldwide.

In May 2021, Valérie Baudson was appointed Chief Executive Officer of Amundi.

Valérie Baudson is also a member of the Board of Directors of CA Indosuez Wealth, a member of the Strategy Committee of the Association Française de la Gestion Financière (AFG) and President of the Paris Europlace Investors' College.

Address:

Amundi
91, bd Pasteur, 75015 Paris
– France

Number of Safran shares held⁽¹⁾

MAIN POSITION HELD (OUTSIDE THE COMPANY)

- Chief Executive Officer of Amundi (listed company) (France)

CURRENT OFFICES AND POSITIONS

SAFRAN GROUP	NON-GROUP
None	■ Chief Executive Officer of Amundi (listed company) (France) ■ Chair, Amundi Asset Management SAS (France) ■ Director of CA Indosuez Wealth (France) ■ Board Advisor (<i>censeur</i>) of Prédica (France) ■ Chair of the Paris Europlace Investors' College (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

SAFRAN GROUP	NON-GROUP
None	From 2017 to 2022: ■ Chair of the Supervisory Board of Amundi Deutschland GmbH From 2016 to 2021: ■ CEO, CPR Asset Management ■ Chair of the Board of Directors of Amundi Index Solutions From 2019 to 2021: ■ Director of CPR Asset Management ■ CEO, Amundi Asset Management SAS From 2018 to 2021: ■ Chair of the Supervisory Board of Anatec From 2016 to 2020: ■ Chair of the Board of Directors of Amundi Suisse

NUMBER OF OFFICES HELD*

- One office as CEO of a listed company

* In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.

(1) According to the Board of Directors' Internal Rules, each Director must hold registered shares.

Re-appointment of Fabienne Lecorvaisier as an independent Director

Based on the recommendations of the Appointments and Compensation Committee, in order to continue to benefit from Fabienne Lecorvaisier's expertise, the Board of Directors invites shareholders to re-appoint her for a four-year term expiring at the close of the Annual General Meeting to be held in 2029 (see section 7.2.1.4).

Fabienne Lecorvaisier's profile is set out in section 2.2.2.

Re-appointment of Patrick Pélata as an independent Director

Based on the recommendations of the Appointments and Compensation Committee, in order to continue to benefit from Patrick Pélata's expertise, the Board of Directors invites shareholders to re-appoint him for a four-year term expiring at the close of the Annual General Meeting to be held in 2029 (see section 7.2.1.4).

Patrick Pélata's profile is set out in section 2.2.2.

7.2.5 Summary table showing the delegations and authorizations currently in force to increase the share capital

Type of authorization	Date of authorization Term and expiration	Ceiling (maximum nominal amount of capital increases and maximum principal amount of debt securities authorized)	Amount used at Dec. 31, 2024
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares, and blanket ceiling for capital increases with or without pre-emptive subscription rights	May 25, 2023 AGM (19 th resolution) 26 months, i.e., until July 24, 2025	€20 million €2 billion (debt securities)	None
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2-1 ^o of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (20 th resolution) 26 months, i.e., until July 24, 2025	€8 million ⁽¹⁾ €2 billion (debt securities) ⁽²⁾	None
Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (21 st resolution) 26 months, i.e., until July 24, 2025	€8 million ⁽¹⁾⁽³⁾ €2 billion (debt securities) ⁽²⁾⁽⁴⁾	None
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2-1 ^o of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (22 nd resolution) 26 months, i.e., until July 24, 2025	€8 million ⁽¹⁾⁽³⁾ €2 billion (debt securities) ⁽²⁾⁽⁴⁾	None
Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 18 th , 19 th , 20 th or 21 st resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (23 rd resolution) 26 months, i.e., until July 24, 2025	15% of the original issue ⁽⁵⁾	None

Type of authorization	Date of authorization Term and expiration	Ceiling (maximum nominal amount of capital increases and maximum principal amount of debt securities authorized)	Amount used at Dec. 31, 2024
Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (24 th resolution) 26 months, i.e., until July 24, 2025	€12.5 million	None
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Group employee savings plan, without pre-emptive subscription rights for existing shareholders	May 25, 2023 AGM (25 th resolution) 26 months, i.e., until July 24, 2025	1% of the Company's capital ⁽¹⁾	None
Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and with performance conditions, to employees and corporate officers of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights	May 25, 2023 AGM (27 th resolution) 26 months, i.e., until July 24, 2025	0.4% of the Company's capital at the grant date	Amount used at December 31, 2024: 0.1% Amount used in March 2025: 0.09% Balance at March 31, 2025: 0.21%
Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and without performance conditions, to employees of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights	May 25, 2023 AGM (28 th resolution) 26 months, i.e., until July 24, 2025	0.3% of the Company's capital at the grant date	Used in May 2023: 0.2% Balance at December 31, 2024: 0.1%

(1) This amount is included in the €20 million ceiling for capital increases set in the 19th resolution adopted by the shareholders at the May 25, 2023 AGM.

(2) This amount is included in the €2 billion ceiling for issues of debt securities set in the 19th resolution adopted by the shareholders at the May 25, 2023 AGM.

(3) This amount is included in the €8 million ceiling for capital increases set in the 20th resolution adopted by the shareholders at the May 25, 2023 AGM.

(4) This amount is included in the €2 billion ceiling for issues of debt securities set in the 20th resolution adopted by the shareholders at the May 25, 2023 AGM.

(5) The ceilings applicable to the 19th, 20th, 21st and 22nd resolutions submitted to the shareholders at the May 25, 2023 AGM still apply if the option provided for in the 23rd resolution adopted by the shareholders at that AGM is used.

7.2.6 Summary table of financial authorizations for the Board of Directors submitted to the Annual General Meeting of May 22, 2025 for approval

Type of authorization	Date of authorization Term and expiration	Ceiling (maximum nominal amount of capital increases and maximum principal amount of debt securities authorized)
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares, and blanket ceiling for capital increases with or without pre-emptive subscription rights	May 22, 2025 AGM (21 st resolution) 26 months, i.e., until July 21, 2027	€20 million €2 billion (debt securities)
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2-1 ^o of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 22, 2025 AGM (22 nd resolution) 26 months, i.e., until July 21, 2027	€8 million ⁽¹⁾ €2 billion (debt securities) ⁽²⁾
Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 22, 2025 AGM (23 rd resolution) 26 months, i.e., until July 21, 2027	€8 million ⁽¹⁾⁽³⁾ €2 billion (debt securities) ⁽²⁾⁽⁴⁾
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2-1 ^o of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 22, 2025 AGM (24 th resolution) 26 months, i.e., until July 21, 2027	€8 million ⁽¹⁾⁽³⁾ €2 billion (debt securities) ⁽²⁾⁽⁴⁾
Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 18 th , 19 th , 20 th or 21 st resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares	May 22, 2025 AGM (25 th resolution) 26 months, i.e., until July 21, 2027	15% of the original issue ⁽⁵⁾
Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 22, 2025 AGM (26 th resolution) 26 months, i.e., until July 21, 2027	€12.5 million
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Group employee savings plan, without pre-emptive subscription rights for existing shareholders	May 22, 2025 AGM (27 th resolution) 26 months, i.e., until July 21, 2027	1% of the Company's capital ⁽¹⁾
Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and with performance conditions, to employees and corporate officers of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights	May 22, 2025 AGM (29 th resolution) 26 months, i.e., until July 21, 2027	0.4% of the Company's capital at the grant date

(1) This amount will be included in the €20 million ceiling for capital increases set in the 21st resolution submitted to the shareholders at the May 22, 2025 AGM.

(2) This amount will be included in the €2 billion ceiling for issues of debt securities set in the 21st resolution submitted to the shareholders at the May 22, 2025 AGM.

(3) This amount will be included in the €8 million ceiling for capital increases set in the 22nd resolution submitted to the shareholders at the May 22, 2025 AGM.

(4) This amount will be included in the €2 billion ceiling for issues of debt securities set in the 22nd resolution submitted to the shareholders at the May 22, 2025 AGM.

(5) The ceilings applicable to the 21st, 22nd, 23rd and 24th resolutions submitted to the shareholders at the May 22, 2025 AGM will still apply if the option provided for in the 25th resolution submitted to the shareholders at that AGM is used.

7.3 STATUTORY AUDITORS' REPORTS PRESENTED TO THE ANNUAL GENERAL MEETING OF MAY 22, 2025

Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2024

7.3.1 Statutory Auditors' special report on related-party agreements

Annual General Meeting for the approval of the financial statements for the year ended December 31, 2024

This is a free translation into English of the Statutory Auditors' special report on related-party agreements and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R.225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual General Meeting.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements submitted for approval by the Annual General Meeting

We were not informed of any agreements authorized and entered into by the Board of Directors during the year to be submitted for the approval of the Annual General Meeting in accordance with Article L.225-38 of the French Commercial Code.

Agreements already approved by the Annual General Meeting

In accordance with Article R.225-30 of the French Commercial Code, we were informed of the following agreements, approved by the Annual General Meeting in prior years, remained in force during the year.

With the French State (shareholder holding more than 10% of the Company's voting rights)

Persons concerned

- Céline Fornaro, representative of the French State on the Board of Directors of Safran;
- Alexandre Lahousse, Director of Safran put forward by the French State.

1) Agreement of March 20, 2024 between Safran, the French State, ArianeGroup Holding and MaiaSpace, concerning the protection of MaiaSpace's sensitive assets and France's national interests in relation to MaiaSpace (the "MS Agreement")

Nature, purpose, terms and conditions

In 2022, ArianeGroup Holding (AGH) set up a new subsidiary – MaiaSpace – to design, test and commercialize a mini-launcher called "Maia" that addresses the market needs for launches of small satellites into low Earth orbit.

The MS Agreement sets out (i) AGH's rights relating to the governance of MaiaSpace and (ii) the rights enabling AGH and the French State to exercise control over the management and transfer of MaiaSpace's sensitive assets.

The main rights provided for under the MS Agreement are as follows:

MaiaSpace governance principles:

- MaiaSpace's head office and that of its subsidiaries must always be located in France;
- the legal representative(s) of MaiaSpace must be a French national/French nationals and reside in France;
- the majority of the members of any and all MaiaSpace governance bodies must be French nationals residing in France, and the other members must be nationals and residents of another European Union member state;
- AGH has the right to appoint a non-voting representative on MaiaSpace's Board of Directors (or equivalent governance body);
- any new investor seeking to acquire more than 10% of MaiaSpace's share capital must obtain prior approval from AGH and the French State.

AGH's rights regarding the securities and sensitive assets of MaiaSpace and its subsidiaries:

- AGH's approval must be obtained – after consultation with the French State – prior to (i) any transfer to a third party of shares in MaiaSpace or in its subsidiaries holding sensitive assets, or (ii) such shares being used for the purpose of providing any form of guarantee to a third party;
- AGH's approval must be obtained – after consultation with the French State – prior to any sale or transfer to a third party, by any method, of sensitive assets (including the transfer of know-how, technology and/or intellectual property rights) held by MaiaSpace or any of its subsidiaries.

In addition to the MaiaSpace Agreement, the above rights will also be attached to one preference share incorporated into the capital of MaiaSpace and held by AGH (the "Preference Share").

The above provisions regarding MaiaSpace will be binding on any new investors in the event that MaiaSpace's capital is subsequently opened up to additional investors.

The MS Agreement was authorized by the Board of Directors on December 15, 2023 (the representative of the French State to the Board of Directors and the Director of Safran put forward by the French State did not take part in the vote).

It was signed on March 20, 2024 and approved by the Annual General Meeting of May 23, 2024.

2) Amendment no. 1 to the AGH Agreement

Nature, purpose, terms and conditions

The signature of the MaiaSpace Agreement also requires an Amendment to be signed to the AGH Agreement (Amendment no. 1 – the "AGH Agreement Amendment"), in order to integrate into the AGH Agreement the provisions concerning the protection of the French State's interests in relation to MaiaSpace.

The AGH Agreement Amendment stipulates that AGH's Preference Share in the capital of MaiaSpace qualifies as a protected security within the meaning of the AGH Agreement. Therefore, following the signature of this amendment, the AGH Agreement will provide that any sale by AGH of its Preference Share to a third party will require the prior approval of the French State.

The amendment to the AGH Agreement was authorized by the Board of Directors on December 15, 2023 (the representative of the French State on the Board of Directors and the Director of Safran put forward by the French State did not take part in the vote).

It was signed on March 20, 2024 and approved by the Annual General Meeting of May 23, 2024.

3) Agreement of July 22, 2022 between Safran, Airbus SE, Tikehau Ace Capital, AD Holding and the French State on Aubert & Duval SAS' sensitive assets (the "AD Agreement")

Nature, purpose, terms and conditions

On April 28, 2023, AD Holding (owned by a consortium comprising Safran, Airbus SE and Tikehau Ace Capital) completed its acquisition of all the shares and voting rights held by Eramet SA in Aubert & Duval SAS ("AD SAS").

AD SAS and its subsidiaries directly or indirectly hold assets that are directly related to protecting the French State's strategic interests in materials that are essential for national defense needs in the aviation, naval, land and nuclear sectors and, in particular, preserving innovation, design and production capacities, as well as securing the supply of such materials.

Consequently, in order to protect France's essential interests, by way of a decree dated August 25, 2022, the French State created a specific share in AD SAS (the "Specific Share") covering the sensitive assets of AD SAS or any company to which its rights and obligations are transferred, or any subsidiary that it controls – within the meaning of Article L. 233-3 of the French Commercial Code – which replaced the specific share previously held by the French State within Eramet SA.

Furthermore, it has been agreed between Safran, Airbus SE, Tikehau Ace Capital and the French State (collectively the "Parties") that the AD Agreement is necessary for the Specific Share, in order to ensure full protection of France's national interests and therefore the continuity of AD SAS' sovereignty-related operations and give the French State:

- control over the ownership and, where applicable, the devolution of all or part of the sensitive defense assets defined in the AD Agreement;
- rights of representation on the governing bodies of AD Holding and, where applicable, AD SAS.

In particular, the AD Agreement provides for:

Protection scope:

- assets identified as sensitive defense assets that are essential for national defense needs in the aviation, naval, land and nuclear sectors;
- shares in AD Holding, AD SAS and its subsidiaries, as well as interests held directly or indirectly by AD SAS, or any company to which its rights and obligations are transferred, if said company holds or operates an asset identified as a sensitive defense asset ("Protected Sector Interests").

On corporate governance matters:

- the French State shall be entitled to appoint a non-voting representative to the Board of Directors of AD Holding and, where applicable, the Board of Directors of AD SAS, if there is one.

On sensitive assets and entities holding such assets:

- the French State shall have a prior right of approval over:
 - any proposal to sell sensitive defense assets to a third party,
 - any proposal from a third party to purchase shares in AD Holding, AD SAS, its subsidiaries and Protected Sector Interests,
 - any proposal to sell all or part of the interest held by AD Holding in AD SAS to a third party,

- any proposal to confer rights on a third party for the purpose of transferring expertise, technology or intellectual property rights related to a sensitive defense asset or to confer rights of representation on the administrative or management bodies of AD Holding or AD SAS;
- failure by the French State to respond within one month (renewable once) shall be deemed to constitute agreement, without prejudice to the application of the provisions of the Specific Share;
- the French State shall be informed beforehand of any proposal to change the distribution of AD Holding's share capital between Airbus SE, Tikehau Ace Capital and Safran or of any proposal to restructure AD Holding or AD SAS.

The AD Agreement was authorized by the Board of Directors on February 23, 2022 (the representative of the French State and the Director put forward by the French State did not take part in the vote).

It was signed on July 22, 2022 and came into effect on the date on which the acquisition of AD SAS by AD Holding was completed, i.e., April 28, 2023.

It was approved by your shareholders at the May 25, 2023 Annual General Meeting.

4) Agreement of March 22, 2018 between Safran and the French State – Consolidation and update of the 2004 Agreement related to strategic defense assets and subsidiaries and its amendments in a single document

Nature, purpose, terms and conditions

When Snecma was privatized following its merger with Sagem, the French State agreed to waive its right, pursuant to Article 10 of the privatization act of August 6, 1986, to take a golden share in Snecma, provided that equivalent contractual rights were granted in an agreement. In order to protect France's national interests and preserve the country's independence, the French State entered into an agreement on December 21, 2004 with Sagem and Snecma related to strategic defense assets and subsidiaries (hereinafter the "2004 Agreement"). The terms of the 2004 Agreement is designed (i) to give the French State control over the ownership and, where applicable, the devolution of all or part of certain assets and shares of subsidiaries or other equity investments held by the companies party to the 2004 Agreement, combined with certain acquisition thresholds, and (ii) to give the French State rights of representation on the governing bodies of the strategic subsidiaries and subsidiaries holding assets related to French combat aircraft engines.

The merger between Snecma and Sagem which created Safran in 2005 and the various transactions completed by Safran since then have significantly changed the Group's scope, prompting Safran and the French State to amend the 2004 Agreement through a series of six successive amendments.

Safran and the French State wished to consolidate the 2004 Agreement and its amendments into a single document (the "Agreement") and to update its contents. The Agreement supersedes the 2004 Agreement, and notably provides as follows:

On corporate governance matters:

- Safran's competent bodies shall be invited to appoint the French State as a Director if its interest in the Company's share capital is less than 10% but more than 1%;
- Safran's competent bodies shall in addition be invited to appoint a member proposed by the French State to the Board of Directors if its interest in the Company's share capital is more than 5%;
- at the request of the French State, the Board of Directors of Safran shall be invited to appoint one of the persons referred to above to any Board committee that may be set up for the purpose of addressing matters directly related to its rights under the Agreement;
- the French State shall be entitled to appoint a non-voting representative to the Boards of Directors or equivalent bodies of Safran's strategic subsidiaries (Safran Ceramics and Safran Power Units) and subsidiaries owning sensitive defense assets.

On strategic or sensitive defense assets and the entities that hold such assets:

- the French State shall have a prior right of approval over:
 - sales of assets (other than those that do not affect the defense activities) owned by strategic subsidiaries and accordingly identified as strategic; sales of shares in the strategic subsidiaries Safran Ceramics and Safran Power Units; and sales of shares in ArianeGroup Holding (AGH);
 - sales by Group companies of certain assets identified as defense sensitive (such as engines, components and systems, high precision inertial navigation and missile guidance systems, financed directly or indirectly by the French Defense Ministry);
 - sales of shares in Safran Electronics & Defense, which owns sensitive defense assets;
 - acquisitions by Group companies of interests resulting in a holding of more than 33.33% or more than 50% of the share capital or voting rights of the other Group companies that own sensitive defense assets;
 - projects conferring special management or information rights over strategic or sensitive defense assets or rights of representation on the administrative or management bodies of Safran Ceramics, Safran Power Units, AGH or another entity owning sensitive defense assets controlled by Safran.

Failure by the French State to respond within a period of 30 business days shall be deemed to constitute agreement, except in the case of proposals to sell shares in AGH, in which case failure to respond shall be deemed to constitute refusal;

- the French State shall be informed beforehand of any proposal by a strategic subsidiary or an entity controlled by Safran that owns sensitive defense assets, to sell assets that do not fall into these protected categories but whose sale could have a material impact on the independent management on French territory of the entity's strategic assets or sensitive defense assets;
- in the event that a third party acquires more than 10% or a multiple of 10% of the share capital or voting rights of Safran, and failing an agreement on other ways of protecting national interests in connection with the strategic assets, the French State shall be entitled to purchase the securities and assets of the strategic subsidiaries Safran Ceramics and Safran Power Units and the stake in AGH at a price to be set by a panel of experts.

The Agreement was authorized by the Board of Directors on March 22, 2018 (the representative of the French State and the Directors put forward by the French State did not take part in the vote). It was signed and entered into force on March 26, 2018.

The Agreement was approved by shareholders at the May 25, 2018 Annual General Meeting.

5) Agreements related to the establishment of ArianeGroup Holding – AGH Agreement, Arianespace Agreement, Pre-emption Agreement, addendum no. 6 to the Agreement of December 21, 2004 and addendum to the Environmental Guarantee Agreement (EGA)

Nature, purpose, terms and conditions

On June 30, 2016, Safran and Airbus Group (since renamed Airbus SE) finalized the combination, carried out in two stages, of their launch vehicle business into Airbus Safran Launchers Holding (since renamed ArianeGroup Holding [AGH]) and its wholly-owned subsidiary Airbus Safran Launchers (since renamed ArianeGroup SAS).

In the first half of 2016, the following agreements and amendments, which are indivisible and were required to establish the combination, were signed with the French State:

- AGH Agreement;
- Arianespace Agreement;
- Pre-emption Agreement;
- Addendum no. 6 to the Agreement of December 21, 2004 (the “Agreement”, as described above);
- Addendum to the Environmental Guarantee Agreement (EGA).

The AGH Agreement, the Arianespace Agreement and the Pre-emption Agreement, as well as addendum no. 6 to the 2004 Agreement, were authorized by the Board of Directors on December 17, 2015. They were signed on June 24, 2016 and entered into force on June 30, 2016. They were subsequently approved by the Annual General Meeting of June 15, 2017.

Effective from June 30, 2016, the protection of the French State's strategic interests is ensured via:

- the AGH Agreement: an agreement between the French State and AGH relating to protected assets and strategic subsidiaries and interests, entered into in the presence of Safran and Airbus SE;
- the Arianespace Agreement: an agreement between the French State and AGH relating to Arianespace Participation and Arianespace SA shares, entered into in the presence of Safran and Airbus SE;
- concurrently with these agreements, we also entered into the Pre-emption Agreement: an agreement between Safran, Airbus SE and the French State, which sets out the conditions under which Airbus SE and Safran may exercise a pre-emptive right on the shares of the other partner in AGH if the French State exercises any of the call options granted to it by Airbus SE and Safran. The French State may only buy back AGH shares once the pre-emptive rights of Safran and Airbus SE have been used or expire.

Moreover, the EGA Amendment, an amendment to an Environmental Guarantee Agreement (EGA) with SNPE authorized by the Board of Directors on December 17, 2015, was signed on May 17, 2016 and entered into force on June 30, 2016. It was subsequently approved by the Annual General Meeting of June 15, 2017. Some sites transferred to AGH, as part of the above-described business combination, are covered by an Environmental Guarantee Agreement (EGA) granted to Safran by SNPE and counter-guaranteed by the French State. With the French State's approval, the amendment to the EGA was entered into between SNPE, AGH and Safran in order to transfer the benefit of the EGA to AGH for said sites (Safran being substituted by AGH).

6) Arianespace Framework Protocol entered into between the French State, ArianeGroup Holding (AGH) and CNES, in the presence of Safran

Nature, purpose, terms and conditions

The CNES (French National Space Studies Center), the French State and AGH, in the presence of Airbus Group and Safran, signed the Arianespace Framework Protocol, which relates to the buying back by AGH of Arianespace shares and Ariane brand names held by CNES and establishes the principal terms and conditions of the sale to AGH of Arianespace shares held by CNES, as well as the parties' declarations and commitments. In its capacity as a shareholder of AGH, Safran undertakes to ensure that AGH fully complies with said agreement.

The protocol provided for a new operating framework for European launchers.

The signature of the protocol was authorized by the Board of Directors on December 17, 2015.

It was signed on February 8, 2016 and approved by the Annual General Meeting of May 19, 2016. It subsequently entered into force on June 30, 2016.

Paris-La Défense, March 20, 2025

The Statutory Auditors

FORVIS MAZARS SA

Jérôme de Pastors

Christophe Berrard

ERNST & YOUNG et Autres

Philippe Berteaux

Nicolas Macé

7.3.2 Statutory Auditors' reports on the proposed authorizations presented to the Annual General Meeting of May 22, 2025

7.3.2.1 Statutory Auditors' report on the issue, with or without pre-emptive subscription rights, of ordinary shares and/or securities carrying rights to shares

Ordinary and Extraordinary Shareholders' Meeting of May 22, 2025 Twenty-first, twenty-second, twenty-third and twenty-fourth resolutions

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with Articles L.228-92 and L.225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report on the proposed delegation to the Board of Directors of various issues of ordinary shares and/or securities carrying rights to shares, which is submitted for your approval.

The Board of Directors proposes, on the basis of its report:

- it be authorized, with the ability to sub-delegate, for a period of 26 months from the date of this Meeting, to decide on the following issues and set the final conditions thereof, and proposes, as the case may be, to cancel your pre-emptive subscription rights:
 - issue, with pre-emptive subscription rights, of (i) ordinary shares of the Company, (ii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company, or (iii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly (nineteenth resolution);
 - issue, without pre-emptive subscription rights, by way of a public offer other than offers governed by Article L.411-2-1° of the French Monetary and Financial Code (*Code monétaire et financier*), of (i) ordinary shares of the Company, (ii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company, or (iii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly (twenty-second resolution);
 - issue, without pre-emptive subscription rights, through an offer governed by Article L.411-2-1° of the French Monetary and Financial Code, and within the legal limit of 30% of the Company's share capital per year, of (i) ordinary shares of the Company, (ii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company, or (iii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly (twenty-fourth resolution);
 - issue of ordinary shares or securities carrying immediate or deferred rights to shares of the Company, in the event of a public exchange offer initiated by the Company (twenty-third resolution).

The maximum aggregate nominal amount of any capital increases that may be carried out immediately or in the future may not, according to the twenty-first resolution, exceed €20 million under the twenty-first to twenty-fourth and twenty-seventh resolutions, it being specified that the nominal amount of any capital increases that may be carried out may not, according to the twenty-second resolution, individually and cumulatively exceed €8 million under the twenty-second to twenty-fourth resolutions.

The maximum aggregate nominal amount of any debt securities that may be issued may not, according to the twenty-first resolution, individually and cumulatively exceed €2 billion under the twenty-first to twenty-fourth resolutions.

These ceilings take into account the additional number of shares to be created within the scope of the implementation of the delegations sought in the twenty-first, twenty-second, twenty-third and twenty-fourth resolutions, in accordance with the conditions provided for in Article L.225-135-1 of the French Commercial Code, if you adopt the twenty-fifth resolution.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R.225-113 *et seq.* of the French Commercial Code. Our role is to report on the fairness of the financial information taken from the financial statements, on the proposed cancellation of pre-emptive subscription rights and on certain other disclosures relating to the issues, contained in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to these operations and the methods used to determine the issue price of the capital securities to be issued.

Subject to a subsequent examination of the conditions for the proposed issues, we have no matters to report as to the methods used to determine the issue price of the capital securities to be issued, as provided in the Board of Directors' report in respect of the twenty-second and twenty-fourth resolutions.

Furthermore, as this report does not specify the conditions for determining the issue price for the capital securities to be issued within the scope of the implementation of the twenty-first and twenty-third resolutions, we cannot report on the choice of inputs used to determine the issue price.

As the final conditions of the capital increase have not yet been determined, we cannot report on the final conditions and, consequently, on the proposed cancellation of pre-emptive subscription rights proposed in the twenty-second and twenty-fourth resolutions.

In accordance with Article R.225-116 of the French Commercial Code, we will issue a supplementary report if and when your Board of Directors uses the delegations in the event of issues of securities that are capital securities giving access to other capital securities or carry rights to the allocation of debt securities, in the event of issues of securities giving access to capital securities to be issued, and in the event of issues of ordinary shares with cancellation of pre-emptive subscription rights.

Paris-La Défense, March 20, 2025

The Statutory Auditors

FORVIS MAZARS SA

Jérôme de Pastors

Christophe Berrard

ERNST & YOUNG et Autres

Philippe Berteaux

Nicolas Macé

7.3.2.2 Statutory Auditors' report on the issue of ordinary shares and securities carrying rights to shares reserved for employees who are members of Group employee savings plans

Ordinary and Extraordinary Shareholders' Meeting of May 22, 2025 Twenty-seventh resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with Articles L.228-92 and L.225-135 et seq. of the French Commercial Code (*Code de commerce*), we hereby report on the proposed delegation of authority to the Board of Directors to decide on the issue of ordinary shares or securities with immediate or deferred rights to ordinary shares of the Company, without pre-emptive subscription rights, reserved for employees of the Company and of any French or foreign companies related to the Company within the meaning of Article L.225-180 of the French Commercial Code, who are members of the Group employee savings plan or any company employee savings plan in place within the Group, which is submitted for your approval. The maximum nominal amount of any capital increases carried out pursuant to this authorization may not represent more than 1% of the Company's capital at the date of the Board of Directors' decision to carry out the issue, it being specified that the nominal amount of any capital increases carried out pursuant to this authorization will be included in the blanket ceiling for capital increases set in the twenty-first resolution of this Meeting.

This operation is submitted for your approval in accordance with Articles L.225-129-6 of the French Commercial Code and L.3332-18 et seq. of the French Labor Code (*Code du travail*).

The Board of Directors proposes that, on the basis of its report, it be authorized, for a period of 26 months from the date of this Meeting and with the ability to sub-delegate, to decide to carry out an issue, and proposes to cancel your pre-emptive subscription rights to the securities to be issued. If necessary, the Board of Directors will determine the final conditions of this operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R.225-113 et seq. of the French Commercial Code. Our role is to report on the fairness of the financial information taken from the financial statements, on the proposed cancellation of pre-emptive subscription rights and on certain other disclosures relating to the issue, contained in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation and the methods used to determine the issue price of the capital securities to be issued.

Subject to a subsequent examination of the conditions for the proposed issue, we have no matters to report as to the methods used to determine the issue price of the capital securities to be issued, as provided in the Board of Directors' report.

As the final conditions of the issue have not yet been determined, we cannot report on the final conditions and, consequently, on the proposed cancellation of pre-emptive subscription rights.

In accordance with Article R.225-116 of the French Commercial Code, we will issue a supplementary report if and when the Board of Directors uses the delegation in the event of issues of ordinary shares or securities that are capital securities giving access to other capital securities, and in the event of issues of securities giving access to capital securities to be issued.

Paris-La Défense, March 20, 2025

The Statutory Auditors

FORVIS MAZARS SA

Jérôme de Pastors

Christophe Berrard

ERNST & YOUNG et Autres

Philippe Berteaux

Nicolas Macé

7.3.2.3 Statutory Auditors' report on the share capital reduction

Ordinary and Extraordinary Shareholders' Meeting of May 22, 2025 Twenty-eighth resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with the provisions of Article L.22-10-62 of the French Commercial Code (Code de commerce) applicable to share capital reductions by cancellation of repurchased shares, we hereby report on our assessment of the reasons for and the terms and conditions of the proposed capital reduction.

The Board of Directors proposes that it be granted full powers, for a period of 24 months from the date of this Meeting, to cancel the shares purchased under the Company's share buyback program, pursuant to an authorization granted within the framework of the above-mentioned article, up to a maximum of 10% of the share capital per 24-month period.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the reasons for and the terms and conditions of the proposed capital reduction, which is not considered to affect shareholders, comply with the applicable legal provisions.

We have no matters to report on the reasons for and the terms and conditions of the proposed capital reduction.

Paris-La Défense, March 20, 2025

The Statutory Auditors

FORVIS MAZARS SA

ERNST & YOUNG et Autres

Jérôme de Pastors

Christophe Berrard

Philippe Berteaux

Nicolas Macé

7.3.2.4 Statutory Auditors' report on the authorization to grant existing or new shares, free of consideration, with performance conditions

Ordinary and Extraordinary Shareholders' Meeting of May 22, 2025 Twenty-ninth resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Article L.225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed authorization to grant new or existing shares of the Company, free of consideration, to (i) employees or certain categories of employees of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code, and (ii) corporate officers of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code (except for the Company's Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law, which is submitted for your approval. The total number of existing or new performance shares granted under this authorization may not exceed (i) 0.40% of the Company's share capital at the date of the Board of Directors' decision to grant the shares, or (ii) two-thirds of this percentage in any given fiscal year. In addition, for each performance share grant, the maximum number of performance shares granted to each of the Company's corporate officers would be set at 5% of the total number of shares making up the grant (representing a sub-ceiling of 0.01% of the Company's share capital per corporate officer and fiscal year).

The Board of Directors proposes that, on the basis of its report, it be authorized, for a period of 26 months from the date of this Meeting, to grant existing or new shares, free of consideration.

It is the responsibility of the Board of Directors to prepare a report on the proposed operation. It is our responsibility to report to you on the information provided to you on the proposed operation.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted mainly in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report as to the information provided in the Board of Directors' report relating to the proposed authorization to grant existing or new shares, free of consideration.

Paris-La Défense, March 20, 2025

The Statutory Auditors

FORVIS MAZARS SA

ERNST & YOUNG et Autres

Jérôme de Pastors

Christophe Berrard

Philippe Berteaux

Nicolas Macé

Additional information



8

ADDITIONAL INFORMATION

8.1	PERSONS RESPONSIBLE	522	8.2	STATUTORY AUDITORS	523
8.1.1	Person responsible for the Universal Registration Document	522	8.3	HISTORICAL FINANCIAL INFORMATION	523
8.1.2	Declaration by the person responsible for the Universal Registration Document	522	8.4	DOCUMENTS ON DISPLAY	524
8.1.3	Person responsible for the financial information	522			

FOREWORD

PERSONS RESPONSIBLE

Person responsible for the Universal Registration Document

Olivier Andriès

Chief Executive Officer

PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

Pascal Bantegnie

Chief Financial Officer

STATUTORY AUDITORS

Statutory Auditors

Forvis Mazars

Tour Exaltis

61, rue Henri-Regnault

92075 Paris-La Défense

Ernst & Young et Autres

Tour First

1, place des Saisons

92037 Paris-La Défense

The terms of office of the Statutory Auditors will expire at the close of the Annual General Meeting held to approve the financial statements for the year ending December 31, 2027.

8.1 PERSONS RESPONSIBLE**8.1.1 Person responsible for the Universal Registration Document**

Olivier Andriès

Chief Executive Officer of Safran

8.1.2 Declaration by the person responsible for the Universal Registration Document

"I hereby declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I further declare that to the best of my knowledge, the financial and consolidated statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and the undertakings in the consolidation taken as a whole, and that the management report in this Universal Registration Document (the cross-reference table for which is shown in chapter 9) includes a fair review of the development of the business, the results of operations and the financial position of the Company and of all the undertakings in the consolidation taken as a whole, and also describes the main risks and uncertainties to which they are exposed and, that it is prepared in accordance with applicable sustainability reporting standards."

Paris, March 28, 2025

Chief Executive Officer,

Olivier Andriès

8.1.3 Person responsible for the financial information

Pascal Bantegnie

Chief Financial Officer

Tel.: +33 (0)1 40 60 81 24

Email: pascal.bantegnie@safrangroup.com

8.2 STATUTORY AUDITORS

For the period covered by the historical financial information, Safran's Statutory Auditors are as follows:

Statutory Auditors

Forvis Mazars	Ernst & Young et Autres
Represented by: Christophe Berrard and Jérôme de Pastors 61, rue Henri-Regnault – 92075 Paris-La Défense Start date of term of office: May 25, 2022	Represented by: Philippe Berteaux and Nicolas Macé 1, place des Saisons – 92037 Paris-La Défense Start date of term of office: May 25, 2022
■ Appointed by the Ordinary and Extraordinary Shareholders' Meeting of May 25, 2022 for a term of six years (2022 to 2027) ■ Expiration of term of office: close of the Annual General Meeting held to approve the financial statements for the year ending December 31, 2027	■ Appointed by the Ordinary and Extraordinary Shareholders' Meeting of May 25, 2022 for a term of six years (2022 to 2027) ■ Expiration of term of office: close of the Annual General Meeting held to approve the financial statements for the year ending December 31, 2027

Forvis Mazars and Ernst & Young are members of the Versailles regional auditing body (*Compagnie régionale des commissaires aux comptes de Versailles*).

8.3 HISTORICAL FINANCIAL INFORMATION

In accordance with Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, the following information is incorporated by reference in this Universal Registration Document:

For 2023

The information required in the management report is presented in section 10.1.5, the consolidated and parent company financial statements are presented in sections 3.1 and 3.3 and the corresponding Statutory Auditors' reports are presented in sections 3.2 and 3.4 of the 2023 Universal Registration Document, which was filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 28, 2024 under number D.24-0208.

For 2022

The information required in the management report is presented in section 10.1.5, the consolidated and parent company financial statements are presented in sections 3.1 and 3.3 and the corresponding Statutory Auditors' reports are presented in sections 3.2 and 3.4 of the 2022 Universal Registration Document, which was filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 31, 2023 under number D.23-0209.

List of regulatory information published since January 1, 2024

The list of regulatory information published by the Group from January 1, 2024 to the date of filing of this Universal Registration Document on March 28, 2025 is available on the Group's corporate website at <https://www.safran-group.com/finance/regulated-information>.

Date of latest financial information

December 31, 2024.

8.4 DOCUMENTS ON DISPLAY

Availability of documents and information concerning the Company

Safran's legal documents that must be made available to shareholders, in accordance with the applicable regulations, may be consulted at the registered office located at 2, boulevard du Général-Martial-Valin, 75015 Paris.

Safran provides its shareholders with a wide range of tools for the frequent communication of transparent and accessible information on the Group, its businesses and its results. The Group website (www.safran-group.com) contains information for the public, such as presentations to analysts, financial press releases, and Registration Documents (last five years).

Contact

Financial Communications Department

Analysts and institutional investors	Individual shareholders
■ Tel.: 33 (0)1 40 60 80 80	■ Toll-free number (mainland France only): 0 800 17 17 17 Monday to Friday, 9 a.m. to 5 p.m.
■ Email: investor.relation@safrangroup.com	■ Email: actionnaire.individuel@safrangroup.com

Safran

2, boulevard du Général-Martial-Valin – 75724 Paris Cedex 15 – France

All financial information pertaining to Safran is available on the Group's website at www.safran-group.com, in the Finance section.



9

APPENDICES

9.1	CROSS-REFERENCE TABLES	528	9.2	GLOSSARY	535
9.1.1	Cross-reference table for the Non-Financial Information Statement	528	9.2.1	Financial terms	535
9.1.2	Share Registration Document cross-reference table	530	9.2.2	Technical terms	538
9.1.3	Annual Financial Report cross-reference table	533			
9.1.4	Board of Directors' management report cross-reference table	534			

9.1 CROSS-REFERENCE TABLES

9.1.1 Cross-reference table for the corporate governance report prepared in accordance with Articles L.225-37, L.225-37-4 and L.22-10-10 of the French Commercial Code

The table below lists the references to the sections of this Universal Registration Document in which information is provided on the topics required in the corporate governance report.

Topics required in the corporate governance report	Section(s) of the 2024 Universal Registration Document
Framework Corporate Governance Code	Chapter 2 introduction and 2.4
Structure of Executive Management	2.1.1
Powers and responsibilities of the Chief Executive Officer and restrictions on these powers and responsibilities	2.1.3 and 2.1.4.2
Membership structure of the Board of Directors	2.2
Offices and positions held by Safran's Directors	2.2.2
Organization and operating procedures of the Board of Directors and the Board Committees	2.3
Board annual assessment	2.3.7
Diversity policy	2.2.4.2 and 5.1.3.1.3
Compensation policies for the corporate officers and related resolutions presented at the Annual General Meeting	2.6.1, 2.6.2 and 7.2.1.7
Compensation and benefits of corporate officers	2.6.3, 2.6.4 and 2.6.5
Related-party agreements	6.1.4 and 7.3.1
Procedure for assessing related-party agreements concerning routine operations	2.2.5
Commitments given by the Company to its corporate officers	2.6.3
Terms and conditions of shareholders' participation in General Meetings and any restrictions on such participation	6.1.2.2
Share ownership	6.3
Authorizations currently in force granted to the Board of Directors	7.2.5
Items with a potential impact in the event of a public offering	6.1.2.2, 6.1.4.2 and 6.1.2.6
Report on the compensation of corporate officers	2.6

The table below sets out the references to the sections of this Universal Registration Document corresponding to the components of the compensation of corporate officers referred to in sub-section I of Article L.22-10-9 of the French Commercial Code, as presented in the corporate governance report, and which will be submitted for shareholder approval in the 10th resolution of the May 22, 2025 Annual General Meeting (see section 7.2.1.5 of this Universal Registration Document).

**Sub-section I
of Article
L.22-10-9 of
the French
Commercial
Code**

	Topics required in the corporate governance report	Section(s) of the 2024 Universal Registration Document
1	Annual compensation and benefits	2.6.3 to 2.6.5
2	Relative proportions of fixed compensation and annual variable compensation	2.6.3.2
3	Use of the possibility of requesting the restitution of variable compensation	NA
4	Commitments given by the Company corresponding to compensation components, indemnities or benefits payable or potentially payable on account of the commencement, termination or change of duties or subsequent thereto	2.6.3
5	Total compensation paid or allocated by an entity included in the Company's scope of consolidation	NA
6	For the Chairman and the Chief Executive Officer, the ratios between each of their levels of compensation and the average and median compensation of the Company's employees (on a full-time equivalent basis) other than the corporate officers	2.6.3.4
7	Year-on-year changes in compensation, the Company's performance, the average compensation of the Company's employees (on a full-time equivalent basis) other than its executives, and the ratios referred to in point 6, during at least the past five years, all presented aggregately and in a way that enables meaningful comparisons	2.6.3.4
8	Explanation of how compensation packages comply with the applicable compensation policy, including how they contribute to the Company's long-term performance, and how the performance criteria have been applied	2.6.3 and 2.6.4
9	Explanation of how the general vote on compensation taken at the last Annual General Meeting has been taken into account	NA (resolution approved at the May 23, 2024 Annual General Meeting)
10	Any differences compared with the procedure for implementing the compensation policy or any exemptions (applied in accordance with the second paragraph of sub-section III of Article L.22-10-8 of the French Commercial Code)	NA
11	Suspension and restitution of Directors' compensation due to non-compliance with the legislation concerning gender balance on the Board of Directors (in application of Article L.225-45, paragraph 2, and Article L.22-10-14 of the French Commercial Code)	NA

9.1.2 Share Registration Document cross-reference table

This Universal Registration Document includes the information to be included in universal registration documents as set out in Annexes 1 and 2 of Delegated Regulation (EU) 2019/980.

The following table presents the cross-references between the two documents.

	EU Regulation 2019/980 Annex 1 headings	Section(s)	Pages
1	Persons responsible, third-party information, experts' reports and competent authority approval		
1.1	Name and positions of the persons responsible	8.1.1	p.522
1.2	Declaration by the persons responsible	8.1.2	p.522
1.3	Statement or report attributed to a person as an expert	NA	
1.4	Information sourced from a third party	3.2, 3.4, 5.1.7, 7.3	p.256 to 261, p.289 to 292, p.443 to 446 and p.513 to 519
1.5	Competent authority approval (AMF)	NA (See AMF insert)	p.1
2	Statutory Auditors		
2.1	Names and addresses of the issuer's auditors	8.2	p.523
2.2	Change in auditors, where applicable	8.2	p.523
3	Risk factors		
3.1	Description of the material risks specific to the issuer	4.3 and 5.1	p.303 to 320, p.324 to 443
4	Information about the issuer		
4.1	Legal and commercial name of the issuer	6.1.1	p.452/453
4.2	Place of registration of the issuer, its registration number and legal entity identifier (LEI)	6.1.1	p.452/453
4.3	Date of incorporation and the length of life of the issuer	6.1.1	p.452/453
4.4	Domicile and legal form of the issuer, legislation under which the issuer operates, its country of incorporation, address and telephone number of its registered office and website	6.1.1 and 6.4.5	p.452/453 and p.470
5	Business overview		
5.1	Principal activities		
5.1.1	Nature of the issuer's operations and its principal activities	1.1.3 and 1.1.4	p.23/24
5.1.2	New products	Introduction – A comprehensive offering, 1.2, 1.3.1.1 and 1.5.3	p.6, p.25 to 53, p.54 to 56, p.67
5.2	Principal markets	1.2, 1.5.3 and 3.1 Note 5.2	p.25 to 53, p.67, and p.206 to 208
5.3	Important events in the development of the issuer's business	1.5.3	p.67
5.4	Strategy and objectives	Introduction – Strategy and business model, 1.5.5	p.14/15, p.68
5.5	Extent to which the issuer is dependent on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	4.3.1.6 and 4.3.3.1	p.309, p.317/318
5.6	Competitive position	1.2.4	p.53
5.7	Investments		
5.7.1	Material investments made	1.1.1, 1.3.1.2, 1.3.2 and 1.4	p.20/21, p.57 to 60
5.7.2	Material investments that are in progress or for which firm commitments have already been made	1.3.1.2 and 1.3.2.1	p.57
5.7.3	Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital	3.1 Note 9	p.252 to 255
5.7.4	Environmental issues	4.3.2.4, 5.1.1.3 and 5.1.2	p.313, p.331 to 336, p.345 to 387

EU Regulation 2019/980 Annex 1 headings		Section(s)	Pages
6	Organizational structure		
6.1	Brief description of the Group	1.1.2, 1.1.3 and 1.1.4	p.22 to 24
6.2	List of significant subsidiaries	1.1.2, 1.1.3, 3.1 Note 9 and 3.3 Note 3.1	p.22/23, p.252 to 255, p.272 to 275
7	Operating and financial review		
7.1	Financial position		
7.1.1	Development and performance of the issuer's business	1.5, 1.6 and 1.7	p.61 to 71
7.1.2	Future development and activities in the field of research and development	1.3.1 and 5.1.2.1	p.54 to 57
7.2	Operating results		
7.2.1	Significant factors materially affecting the issuer's income from operations	1.5	p.61 to 68
7.2.2	Explanation of material changes in net sales or revenue	1.5	p.61 to 68
8	Capital resources		
8.1	Issuer's capital resources	3.1 Note 6.3 and 3.3 Note 3.7	p.223 to 227, p.277/278
8.2	Source and amounts of cash flows	3.1 (including the statement of cash flows)	p.187 to 255
8.3	Borrowing requirements and the funding structure of the issuer	3.1 Note 6.5.2 and 3.3 Note 3.9	p.233 to 235, p.281/282
8.4	Restrictions on the use of capital resources	NA	
8.5	Information regarding the anticipated sources of funds	1.5.4, 1.6.3, 3.1 Note 6.5.1 and Note 6.5.2	p.67, p.70, p.232 to 235
9	Regulatory environment		
9.1	Description of the regulatory environment	4.3.2.5	p.314
10	Trend information		
10.1	The most significant trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the Universal Registration Document	1.5.7	p.68
10.2	Information on any known trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year	1.5.4, 1.5.5 and 1.5.6	p.67/68
11	Profit forecasts or estimates	1.5.4	p.67
12	Administrative, management and supervisory bodies and senior management		
12.1	Information relating to the members of the Board of Directors	2.2	p.80 to 121
12.2	Administrative and management bodies conflicts of interest	2.2.5	p.116/117
13	Compensation and benefits		
13.1	Compensation paid and benefits in kind	2.6.3	p.159 to 173
13.2	Amounts set aside or accrued to provide pension, retirement or similar benefits	2.6.3	p.159 to 173
14	Board practices		
14.1	Date of expiration of the current terms of office	2.2.6.4	p.121
14.2	Members of the administrative or management bodies' service contracts with the issuer or any of its subsidiaries	2.2.5	p.116/117
14.3	Information about Board committees	2.3.6	p.128 to 134
14.4	Statement of compliance with the applicable corporate governance regime	2.4	p.139
14.5	Potential material impacts on the corporate governance - Future changes in board membership structure	2.1.1 and 2.2.6.3	p.75/76, p.120/121

	EU Regulation 2019/980 Annex 1 headings	Section(s)	Pages
15	Employees		
15.1	Number and breakdown of employees	5.1.3.1.2	p.390/391
15.2	Shareholdings and stock options	5.1.3.1.3, 2.6.3.3, 2.6.4.2, 2.6.5 and 6.3.7	p.392 to 411, p.167 to 169, p.176, p.468
15.3	Arrangements for involving the employees in the capital of the issuer	5.1.3.1.3 and 6.3.7	p.392 to 411, p.468
16	Major shareholders		
16.1	Major shareholders	6.3.1 and 6.3.3	p.465/466
16.2	Breakdown of voting rights	6.3.1 and 6.3.3	p.465/466
16.3	Controlling shareholder	6.3.5	p.467
16.4	Change in control	6.1.2.6 and 6.3.6	p.456 and p.468
17	Related-party transactions		
17.1	Details of related-party transactions	6.1.4	p.457 to 459
18	Financial information concerning the issuer's assets and liabilities, financial position and profits and losses		
18.1	Historical financial information		
18.1.1	Audited historical financial information covering the latest three financial years and the audit report in respect of each year	3.1, 3.3 and 8.3	p.187 to 255, p.262 to 288, p.523
18.1.2	Change of accounting reference date	NA	
18.1.3	Accounting standards	3.1 Note 1.1 and Note 1.2.1, 3.3 Note 2.1	p.194/195, p.267
18.1.4	Change of accounting framework	NA	
18.1.5	Balance sheet, income statement, statement of changes in equity, cash flow statement, accounting policies and explanatory notes	3.1, 3.3	p.187 to 255, p.262 to 288
18.1.6	Financial statements	3.1, 3.3	p.187 to 255, p.262 to 288
18.1.7	Age of financial information	8.3	p.523
18.2	Interim and other financial information		
18.2.1	Quarterly, half-yearly or interim financial information	NA	
18.3	Auditing of historical annual financial information	8.3	p.523
18.3.1	Independent auditing of historical annual financial information	NA	
18.3.2	Indication of other information in this Universal Registration Document that has been audited by the auditors	3.2, 3.4, 5.1.7, 7.3	p.256 to 261, p.289 to 292, p.443 to 446, p.513 to 519
18.3.3	Indication of the source of information appearing in the Universal Registration Document that is not extracted from the issuer's audited financial statements and statement that the information is not audited	NA	
18.4	Pro forma financial information		
18.4.1	Pro forma financial information and report	NA	
18.5	Dividend policy	3.5	p.294
18.5.1	Description of the issuer's dividend policy	3.5	p.293
18.5.2	Amount of dividend	1.7.3 and 7.2.1.2	p.71, p.476/477
18.6	Legal and arbitration proceedings		
18.6.1	Information on any governmental, legal or arbitration proceedings which may have, or have had in the recent past, significant effects on the issuer and/or the Group's financial position or profitability	3.1 Note 8.4 and 3.3 Note 5.2	p.250, p.287
18.7	Significant change in the issuer's financial position		
18.7.1	Description of any significant change in the financial position of the Group which has occurred since the end of the last financial period	1.5.7 and 3.1 Note 8.6	p.68, p.251

EU Regulation 2019/980 Annex 1 headings		Section(s)	Pages
19	Additional information		
19.1	Share capital	3.1 Note 6.3.1, 3.3 Note 3.7 and 6.2.1	p.223/224, p.277/278, p.460
19.1.1	Amount of issued capital	6.2.1	p.460
19.1.2	Securities not representing capital	3.1 Note 6.3, 3.3 Note 3.9 and 6.2.3.1	p.223/224, p.281/282, p.460
19.1.3	Shares held by the issuer	3.1 Note 6.3, 3.3 Note 3.7 and 6.2.6	p.223/224, p.277/278, p.462
19.1.4	Amount of any convertible securities, exchangeable securities or securities with warrants	3.1 Note 6.3.3, 3.3 Note 3.9 and 6.2.3.2	p.226/227, p.281/282, p.460/461
19.1.5	Information about the terms of any acquisition rights and/or obligations over authorized but unissued capital or any undertaking to increase the capital	NA	
19.1.6	Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option	NA	
19.1.7	History of share capital	6.2.4	p.461/462
19.2	Bylaws	6.1.1 and 6.1.2	p.452 to 456
19.2.1	Corporate purpose	6.1.1	p.452/453
19.2.2	Rights, preferences and restrictions attached to shares	6.1.2.2 and 6.1.2.3	p.455/456
19.2.3	Change in control	6.1.2.6 and 6.3.6	p.456, p.459
20	Material contracts		
20.1	Summary of each material contract	6.1.4	p.457 to 473
21	Documents available		
21.1	Documents made available to the public	6.4 and 8.4	p.469/470, p.524

9.1.3 Annual Financial Report cross-reference table

This Universal Registration Document includes the information contained in the Annual Financial Report mentioned in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and Article 222-3 of the AMF's General Regulations.

The following table presents the cross-references between the two documents.

Annual Financial Report headings	Section(s)	Pages
Declaration by the person responsible	8.1.2	p.522
Board of Directors' management report	See cross-reference table, 9.1.4	p.534/535
Financial statements and reports	3	p.185 to 294
Parent company financial statements	3.3	p.262 to 288
Consolidated financial statements	3.1	p.187 to 255
Board of Directors' corporate governance report	See cross-reference table, 9.1.1	p.528
Statutory Auditors' report on the Board of Directors' corporate governance report	3.4	p.289 to 292
Legal and arbitration proceedings	3.1 Note 8.4 and 3.3 Note 5.2	p.250, p.287
Significant change in the issuer's financial or trading position	3.1 and 3.3	p.187 to 255, p.262 to 288
Statutory Auditors' reports	3.2, 3.4 and 7.3	p.256 to 261, p.289 to 292, p.513 to 519
Audit fees	3.1 Note 8.5	p.251

9.1.4 Board of Directors' management report cross-reference table

This Universal Registration Document includes the information contained in the Board of Directors' management report provided for by Articles L.225-100, L.225-100-1, L.225-102 and L.225-102-1 of the French Commercial Code (*Code de commerce*).

The table below lists the references to excerpts of the Universal Registration Document corresponding to the various sections of the management report as approved by the Board of Directors.

	Board of Directors' management report headings	Section(s)	Pages
1	Group activities in 2024	Introduction – Safran at a glance and 1.2	p.3, p.25 to 53
1.1	Summary of key figures by business (adjusted data)	Introduction – Safran at a glance and 1.5.2	p.3, p.64 to 66
2	Research and development		
2.1	Major technological focuses	1.3.1.1	p.54 to 56
2.2	Technical and scientific partnerships	5.1.4.4 and 4.3.1.3	p.432 to 434, p.307
2.3	Innovation and intellectual property	5.1.4.4.3	p.434
3	Operating and financial position		
3.1	Consolidated income statement	1.6 and 3.1	p.69/70, p.187 to 255
3.2	Consolidated balance sheet	1.6.2 and 3.1	p.70, p.187 to 255
3.3	Research and development expenditure	1.3.1.2 and 3.1 Note 6.1.1	p.57, p.211 to 213
3.4	Information concerning supplier payment periods	3.5	p.293/294
3.5	Parent company financial statements	1.7 and 3.3	p.71, p.262 to 288
3.6	Non-deductible expenses	3.5	p.293/294
3.7	Proposed appropriation of profit	1.7.3 and 7.2.1.2	p.71, p.476/477
4	Risk factors		
4.1	Identified risk factors	4.3 and 5.1	p.303 to 320, p.324 to 442
4.2	General risk management policy	4.1	p.298 to 300
4.3	Insurance	4.4	p.320
5	Investments	6.1.3.2	p.457
6	Share capital and share ownership		
6.1	Breakdown of share capital and voting rights	6.3.1, 3.1 Note 6.3.1 and 3.3 Note 3.7	p.465, p.223/224, p.277/278
6.2	Shareholder agreements	6.3.5	p.467
6.3	Agreement with the French State	6.1.4.2	p.457/458
6.4	Undertaking to hold securities	6.3.5 and 6.3.6	p.467/468
6.5	Stock options	2.6.5.1 and 6.3.7.3	p.176, p.468
6.6	Free share grants	3.1 Note 6.3.2, 2.6.3.2, 2.6.5.2 and 6.3.7.1	p.224/225, p.159 to 173, p.176 to 182, p.468
6.7	Share buyback programs	6.2.7 and 7.2.1.8	p.462 to 464, 488/489
6.8	Safran share	6.5	p.470
7	Corporate officers		
7.1	Terms of office and duties	2.2.2	p.84 to 105
7.2	Compensation and benefits	2.6.3	p.159 to 173
7.3	Transactions in the Company's shares	2.5.3	p.141

	Board of Directors' management report headings	Section(s)	Pages
8	Corporate governance report		
9	Outlook for 2025 and significant subsequent events	1.5.4 and 1.5.7	p.67/68
10	Principal provisions of the bylaws	6.1.2	p.453 to 456
11	Sustainability Statement and summary duty of care plan		
11.1	Sustainability Statement	5.1	p.324 to 442
11.2	Duty of care plan (summary)	5.2	p.447/448
Appendix 1	List of subsidiaries and investments	3.1 Note 9 and 3.3 Note 3.1.4	p.252 to 255 and p.274/275
Appendix 2	Five-year financial summary of the Company	3.5	p.293/294
Appendix 3	Authorizations granted by the AGM to the Board of Directors with respect to share capital increases	7.2.5	p.510/511
Appendix 4	Dividends paid over the past three years	1.7.3 and 7.2.1.2	p.71 and p.476/477

9.2 GLOSSARY

The glossary definitions have been drawn from the following sources:

- Vernimmen;
- Safran.

9.2.1 Financial terms

Accounting policies

The consolidated financial statements are prepared in accordance with international financial reporting standards, the principles of which are described in section 3.1, Note 1.1 and 1.2.1 and section 3.1, Note 2.a of this Universal Registration Document.

Bonds convertible and/or exchangeable for new and/or existing shares (OCEANE)

OCEANE bonds in France are convertible bonds that offer bondholders either newly issued shares or existing shares held in a portfolio, for example as a result of a share buyback. In practice, OCEANE bonds are rarely redeemed in existing shares as this results in the recognition of a capital gain or loss.

Conflicts of interest

A conflict of interest occurs when an employee has certain controlling power over the assets and/or the running of the company and/or is privy to certain confidential information about the company, or when such employee is in a situation where exercising such power and/or using such confidential information may be beneficial or detrimental to their own personal interests and/or the interests of someone related to them.

Corporate governance

Corporate governance is the system of rules, practices and processes by which a company is directed and controlled.

Corporate governance essentially involves balancing the interests of a company's many stakeholders, depending on a company's objectives.

Key stakeholders are shareholders who elect either the Board of Directors, which then grants a mandate to the management, or the Supervisory Board, which appoints members of the Management Board under various conditions specific to the legal status of the company concerned.

Other stakeholders include employees, suppliers, customers, banks and other lenders, the local community, the environment and third parties – in the broadest sense of the term – that may have dealings with the company on account of its businesses, behavior or achievements.

Corporate mutual funds

Corporate mutual funds, or *fonds commun de placement* (FCP), are a type of UCITS (undertakings for the collective investment in transferable securities).

Mutual funds have a specific legal status. A mutual fund is a collective of transferable securities which issues units (shares). It has no legal personality. Each shareholder has a co-ownership right to the fund's assets in proportion to the number of shares it holds in the fund.

Besides conventional mutual funds (money market, bond or share funds), commonly used by retail banks, certain "specific" mutual funds are associated with a greater degree of risk and are designed for well-informed investors (with the exception of corporate mutual funds [FCPE], which represent a sub-category in themselves).

Depreciation/amortization

Depreciation/amortization is a means of recording an asset's decrease in value over time for accounting purposes.

Dilution

Dilution is the effect of a financial transaction carried out by a company (capital increase or reduction, acquisition, etc.) or of an instrument (convertible bond, stock warrant, stock option, etc.) that will result in a decrease either in the control held by existing shareholders, or in the company's profitability or other significant input. In contrast, accretion increases one or more of these inputs.

Direct and indirect active corruption

The act of a person holding a specific public or private office soliciting or proffering or accepting or giving a gift, offer or promise to carry out, obstruct or abstain from carrying out an act pertaining directly or indirectly to his or her office.

Dividend

A dividend is a payment made by a company to its shareholders. Shareholders are paid dividends without being required to provide any consideration in return, and remain owners of their shares. The opposite situation is termed a share buyback. The shareholders themselves can decide, at shareholders' meetings, whether or not they consider the company is able to pay dividends without harming its operations.

Due diligence

Collecting and analyzing information and documents to assess the risk level of third parties, in compliance with applicable regulations, in particular those relating to personal data protection.

EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization)

EBITDA is the sum of recurring operating income plus net recurring and non-recurring depreciation, amortization and provisions.

Embezzlement

The act of a person holding public authority or discharging a public service mission receiving, requesting or ordering the collection of a sum which he or she knows is not due or which exceeds the amount that is due in respect of duties, contributions, taxes or public levies.

Environmental, Social and Governance (ESG)

ESG is an international acronym used by the financial community to refer to Environmental, Social and Governance criteria, for purposes such as conducting an ESG analysis. Investment decisions will take account of an ESG analysis to assess fulfillment of a company's responsibility with regard to its stakeholders and the environment.

Equity

In accounting, capital, very similar to equity, represents the funds (liabilities) that belong to a company's shareholders, as opposed to debt owed to suppliers or banks for example. Capital is made up of share capital, reserves and retained earnings (profits not distributed as dividends), and profit for the fiscal year.

Equity is a slightly broader definition than capital, as it includes capital + issues of non-voting loan stock + contingent advances + rights of concession grantors. For most companies, equity and capital are virtually the same.

This notion is sometimes extended to "quasi equity", which includes stable sources of funds not qualifying as capital, such as current accounts with shareholders, non-voting loan stock and convertible bonds.

Facilitating payments

These payments are used to facilitate or expedite routine procedures or administrative formalities normally carried out by public officers (customs officers, agents responsible for issuing licenses, police officers, etc.). They include all payments unduly made in exchange for a standard task (for example, the issuing of authorizations, licenses or visas, or the processing of administrative or customs applications). Although such practices are tolerated in some countries, facilitating payments are considered a type of corruption in most countries and are as such strictly prohibited.

Foreign Corrupt Practices Act (FCPA)

The Foreign Corrupt Practices Act is a 1977 United States federal law prohibiting companies and their individual officers from influencing foreign officials with any personal payments or rewards. As this law has international ramifications, it is said to be of near-universal jurisdiction. The Act concerns any corrupt practices committed by a US or foreign company or individual, either physically based in the United States or simply listed on a stock market in the United States, or participating in any capacity whatsoever on a financial market regulated in the United States. The Act is notably enforced by the Office of Foreign Assets Control.

Forward rate agreement (FRA)

A forward rate agreement (FRA) is a derivative product used on monetary markets, traded over the counter between two counterparties, the purpose of which is to lock in a future interest rate on a specified principal amount at the date of the FRA for a stated period of time. The interest rate is calculated and published by a third party and will only be known at a future date.

Free cash flow

Free cash flow represents cash flow from operating activities less any disbursements relating to acquisitions of property, plant and equipment and intangible assets.

Goodwill

Goodwill is the cost to purchase a business minus the fair value of the identifiable assets and liabilities obtained in the purchase. Goodwill is shown as a specific intangible asset. Under IFRS, goodwill is tested for impairment each year, which may result in the recognition of an impairment loss. However, in some cases, goodwill may be allocated to the acquirer's consolidated equity, in which case it is no longer included as a separate caption.

Influence peddling

The act of a person holding public authority or discharging a public service mission or holding a publicly elected office directly or indirectly requesting or accepting, without right and at any time, offers, promises, donations, gifts or advantages of any kind, in order (i) to carry out or abstain from carrying out an act relating to his or her duties, mission or office, or facilitated by his or her duties, mission or office, or (ii) to take advantage of his or her real or perceived influence with a view to obtaining from any public body or authority any distinction, employment, contract or any other favorable decision.

Institutional investor

Institutional investors are savings organizations whose obligations and/or assets are governed by laws and regulations. The return on their investments allow them to service their obligations in the medium or long term.

The singularity of institutional investors lies in the fact that they cannot directly access the capital they invest; they act on behalf of rights holders with which they have signed an agreement. Consequently, the management of any such assets is highly regulated and institutionalized.

Institutional investors are therefore different from (financial or non-financial) companies, which may hold on a proprietary basis various financial assets for short- or long-term investment.

The assets managed by institutional investors generally represent significant sums of money (in the billions of euros).

Interest rate swaps

An interest rate swap involves an exchange of interest rates (but not capital) between two parties. It is particularly suited to managing a company's long-term interest rate risk. The swap market has seen fast-paced growth in recent years. Banks now play a decisive role in the swap market. Corporate cash managers appreciate the flexibility of a swap, which allows them to choose the term, the benchmark floating rate and notional amount of the instrument. A swap between a bank and a company can be settled at any time by calculating the present value of the fixed interest payments at the market interest rate compared to the initial notional amount. Swaps are also frequently used to manage interest rate risk on floating- or fixed-rate assets.

Knock-out barrier

Turbo warrants have two main features: an exercise price and a knock-out barrier.

- The exercise – or strike – price is used to determine the value of the turbo warrant.
- The knock-out barrier, as its name suggests, represents the level at which the warrant expires and can be hit at any time while the underlying instrument is traded. When the underlying instrument hits the barrier, the warrant expires ahead of term and can no longer be traded.

Minimum coupon

A coupon payment is the interest regularly paid to bondholders. Coupons may be paid at fairly long intervals or are sometimes capitalized and only paid once on the bond maturity date (zero-coupon bond).

Net debt

Net debt is the difference between financial debt and cash, cash equivalents and short-term investments.

Non-voting loan stock

Non-voting loan stock represents a marketable security that confers neither voting nor ownership rights. In this sense, non-voting loan stock resembles an investment certificate.

Non-voting loan stock offers individuals or investors who are not partners/shareholders the opportunity to invest an unlimited amount in a company for potentially attractive returns.

Non-voting loan stock is particularly well suited for financing a company's organic or acquisition-led growth and is treated as equity.

Profit attributable to owners of the parent (attributable profit)

Profit attributable to owners of the parent (attributable profit) corresponds to consolidated profit less non-controlling interests in the profit of fully consolidated companies. Attributable profit can exceed aggregate profit when fully consolidated subsidiaries with non-controlling interests report losses.

Public tender/exchange offer

In finance, a public tender offer is an operation launched by a company, financial group or other private institution in the form of a proposal made to the public to purchase, exchange or sell certain shares in a company in accordance with specific procedures that are regulated and controlled by stock market authorities, notably in terms of financial information to be published (in France by the AMF or in the United States by the SEC). Public tender offers can take the form of a cash tender offer (*offre publique d'achat*, or OPA), an exchange offer (*offre publique d'échange*, or OPE) in which shares are offered as consideration instead of cash, an offer in cash and in shares (*offre publique mixte*), and an alternative offer (*offre publique alternative*) in cash or in shares.

Rating agency

A credit rating agency is a company that assigns credit ratings which rate the ability of a debtor – a company or public authority – to pay back a debt.

Recurring operating income

In order to better reflect recurring economic performance, the recurring operating income subtotal excludes income and expenses that are largely unpredictable because of their unusual, infrequent and/or material nature such as: impairment losses/reversals, capital gains/losses on disposals of operations, gains on remeasuring previously held equity interests in entities in which the Group has acquired a controlling interest, and other unusual and/or material non-operating items.

Shared services center (SSC)

A shared services center is a center that provides operational services for several companies, sites or entities within a given group.

By delegating repetitive, low added-value operational tasks to an SSC, corporate departments can focus on tasks with higher added value.

A shared services center can include services relating to an entity's different internal departments, or may be dedicated to a specific function (finance, human resources, purchasing, legal, aftermarket services, etc.).

Treasury shares

Shares held by the company, either directly or through a person acting on its behalf, are treasury shares.

UK Bribery Act (UKBA)

The UK Bribery Act 2010 establishes company liability for corrupt acts committed by persons acting on behalf of the company. It is described as the strictest corporate anti-corruption legislation in the world – going beyond the already extremely tough US equivalent, the 1977 Foreign Corrupt Practices Act in several respects. The UKBA was part of a major global step to reinforce the fight against corruption, and legislation is likely to be further stepped up under the impetus of the OECD.

The UKBA was adopted by the Parliament of the United Kingdom on April 8, 2010 and came into force on July 1, 2011. This UK law repeals and replaces previous provisions by the four crimes of:

- bribery;
- being bribed;
- the bribery of foreign public officials; and
- the failure of a commercial organization to prevent bribery on its behalf.

9.2.2 Technical terms

Additive manufacturing

ASTM International defines additive manufacturing as the use of computer-aided design to build objects layer by layer, as opposed to traditional manufacturing, which involves cutting, drilling or grinding away unwanted excess from a solid piece of material. Additive manufacturing is the industry term for what is more commonly known to as 3D printing.

AEW&C (Airborne Early Warning & Control) system

An airborne early warning and control system is an airborne radar picket system designed to detect aircraft, ships and vehicles at long ranges and perform command and control of the battlespace in an air engagement by directing fighter and attack aircraft strikes. AEW&C aircraft are used for air, sea and ground surveillance operations in a complex environment.

Afterburner (or reheat)

An afterburner, or reheat, is a system used in military supersonic aircraft to provide a temporary boost in thrust. Afterburning involves injecting and igniting additional fuel downstream of the turbine. The additional thrust is especially useful during take-off on short runways such as those on aircraft carriers, and in combat situations.

Air Transport Action Group

Coalition of aerospace industry experts working to examine sustainability topics and develop solutions for overcoming the industry's capacity problems. Its mission is to determine an industry-wide stance on current topics and provide constructive expert insight at the industry-government interface.

Attitude control

An attitude control system is an important spacecraft component (on an artificial satellite, space probe, space station or manned spacecraft). Its purpose is to control the attitude (meaning the orientation in space) of the spacecraft and its instruments and solar panels consistent with mission specifications. An attitude control system comprises sensors (to determine the spacecraft's position), actuators (to reorient the vehicle) and software. Various technologies may be used. The attitude control system is a platform component on an artificial satellite.

This last crime brought in a new liability offense for companies, focusing on prevention rather than just repression. As a result, legal entities are required to put in place internal rules and procedures to prevent corruption ("adequate procedures"). In France, this is taken up by Article 8 of Act no. 2016-1691 of December 9, 2016 ("Sapin II") relating to transparency, anti-corruption measures and modernization of the economy. Guidance on adequate procedures was published by the UK Ministry of Justice on March 30, 2011.

Like the FCPA in the United States, the UKBA contains certain provisions with near-universal jurisdiction, allowing for the prosecution of an individual or company with links to the United Kingdom, regardless of where the crime occurred.

Auxiliary power unit (APU)

In aeronautics, an auxiliary power unit (usually in the form of a turbogenerator) generates energy onboard an aircraft to power onboard systems (electrical power, pneumatic and hydraulic pressure, air conditioning) on the ground when the main engines are not running, thereby saving on fuel. APUs may or may not be used in flight. They are generally located at the rear of an aircraft, in the tail cone, and powered by jet fuel from the aircraft's tanks. Depending on the type of aircraft, APUs generate pneumatic, hydraulic or electrical power for starting the aircraft's engines.

Biofuels

Liquid fuels of agricultural origin, obtained from vegetable or animal organic matter. They are developed for powering certain vehicles, either as a direct replacement for traditional fuel or mixed with traditional fuel, depending on the engine.

Bypass ratio

In turbofan engines, the bypass ratio is the ratio between the mass flow rate of the bypass stream to the mass flow rate entering the core. For example, in a turbofan engine, the mass flow entering the core is the flow that contains the gas resulting from combustion of the air/fuel mix, which takes place in what is known as the engine "core". The mass flow of the bypass stream is non-combusted flow that does not go through the engine core.

Ceramic matrix materials

Ceramic matrix materials are robust and lightweight, made of ceramic fibers embedded in a ceramic matrix. Matrix and fibers can be in any ceramic material, including carbon. It converts the heat energy of these gases into kinetic energy.

Cobotics (collaborative robotics)

Cobotics is the term given to work performed jointly by humans and robots, i.e., a direct or remotely controlled interaction between humans and robots in pursuit of a common goal.

Cobotics is at the interface between human cognition (behavior, decisions, robustness and error management), biomechanics (modeling of the behavior and dynamics of movement) and robotics (use of instruments to produce reliable and/or repetitive mechanical behavior for industrial, military, agricultural, healthcare, collaborative purposes, etc.).

Composite fan blade

Most turbofan engines have a fan located in front of the low-pressure compressor. This has large blades with varying angles of incidence from the root to the tip. The composite fan blade is a particularly sophisticated component, featuring a titanium leading edge bonded onto the 3D woven composite body. A crucial design point here concerns accurate prediction, by calculation, of the mechanical behavior of the fan blades.

Eco-design

Eco-design involves allowing for environmental considerations in product design, to quantitatively and/or qualitatively reduce the negative impacts of a product or service on the environment, without compromising its qualities or performance. Eco-design might typically mean using robust, recyclable materials, and applying a far-reaching waste recovery approach.

Fan casing

A casing is an enclosure that protects a mechanical system. It is usually sealed, containing the lubricant needed for the system to operate, or simply affording protection against the outside environment. It may be fitted with a filling and drainage aperture for cooling fins, an external lubricating system and a venting system.

FÉLIN integrated equipment suite

This combat system offers expanded capabilities in five areas: communication, observation, accuracy, protection, and soldier mobility and support. It also ensures enhanced compatibility with weapon systems, equipment, vehicles and aircraft.

Full Authority Digital Engine Control (FADEC)

FADEC is a cockpit interface for operating a turbojet, turboprop or turbo engine. It may also be found on certain piston-engine light aircraft, often with compression ignition.

It takes the form of a digital control system based on a computer with two symmetrical, full authority, full redundancy channels. Sensors and actuator electrics are duplicated (one for each channel). Only the hydraulic subsystems (pumps, servovalves, pressure generators) are not duplicated (non-redundant).

A FADEC system performs the following functions:

- flow regulation (fuel input and acceleration/deceleration control);
- automatic start-up;
- transmission of engine parameters to cockpit instruments;
- thrust control and oversight of operation within set limits;
- reverse thrust control.

Future Combat Air System (FCAS)

The Future Combat Air System refers to a joint European program to develop a new sixth-generation combat air system by 2040 with a wide array of interconnected and interoperable elements such as drones, and based largely on artificial intelligence. The Future Combat Air System combines New Generation Fighter (NGF) aircraft, drones, future cruise missiles and drone swarms. It will connect with aircraft, satellites, NATO systems and land and sea combat systems.

Health monitoring

Health monitoring refers to a program for maintaining an aircraft fleet in proper working order while affording operational savings. It is an essential program for helicopter operators, providing valuable foresight on turbine failure risks, thereby reducing the number of unnecessary inspections, limiting major repairs, and reducing the cost of unplanned servicing. The health monitoring system uses an automated device to perform

vibration measurements and Fast Fourier Transform (FFT) calculations. It is integrated in the FADEC suite (see definition) to determine the degree of wear in many different parts and schedule replacement accordingly.

Helicopter frame

A helicopter frame comprises the body and undercarriage unit (landing gear).

In-Flight Entertainment (IFE) system

In-flight entertainment refers to the entertainment available to aircraft passengers during a flight.

Launcher

In cosmonautics, a launcher is a rocket used for placing a payload in orbit around the earth or into interplanetary space. The payload might be an artificial satellite placed into low earth orbit or geostationary orbit, or a space probe that leaves the earth's gravitational field to explore the solar system.

Leading edge

The leading edge is the front-most edge of an airfoil section (aircraft wing, propeller, etc.), i.e., which penetrates the air. Along the leading edge, there is what is known as the stagnation point, about which the flow splits into two parts, passing along either side of the airfoil. This location of the stagnation point along the airfoil varies with the angle of incidence.

From a geometrical point of view, the leading edge is the portion of the airfoil profile which has the least radius of curvature. Independently of the flow, it defines the chord and the ensuing geometric properties such as chord length, camber and thickness.

On airfoil profiles intended for subsonic speeds, the leading edge has a wide radius (usually 1.5% of the chord). Supersonic airfoil sections have a much sharper angle of attack (a shorter radius).

Mass density

The mass energy density of a product, for example of a fuel, represents the energy stored in a given mass of that product. The ratio can be used to compare the energy content of different fuels, in relation to the same mass.

Materiality matrix

Mapping to identify and rank Safran's CSR challenges, based on their importance for Group employees and for external stakeholders.

Modular air-to-ground weapon (AASM)

The AASM is a new-generation weapon that comprises a guidance kit and a range-extension kit to transform a bomb body into a precision air-to-ground weapon.

It is currently in service on Rafale fighters belonging to the French armed forces. This all-weather, jam-resistant weapon features a long-range (60 km at high altitudes) INS/GPS/laser system. It allows simultaneous, high-precision, multi-target mobile or fixed air-to-ground strikes.

Nacelle

Nacelles are housings that hold the engines on a multi-engine aircraft. On medium- and long-haul aircraft, nacelles usually include the thrust reverser that brakes the aircraft on landing. A nacelle may be fixed either on the wing or on the fuselage, by means of a mast.

Non-destructive testing (NDT)

Non-destructive testing refers to a range of methods for examining the soundness of a material, component or system without causing damage, during production, use or maintenance.

Nozzle

A nozzle (“propelling nozzle” in cosmonautics) is a pipe of varying cross-section placed at the rear of an engine producing hot combustion gases. It converts the heat energy of these gases into kinetic energy.

Optronics (and optronic sights)

As the name suggests, optronics (or optoelectronics) stands at the intersection of electronics and optics. Optronics systems usually comprise an optical sensor, an image processing system, and a display or storage system.

Organic matrix composites

A composite material (or composite) is a combination of constituent materials of different properties, usually in the form of a framework held in a matrix. The framework, or reinforcement (usually in the form of fibers), provides mechanical stability, and is surrounded and supported by a binding agent known as a matrix.

Good mechanical stability and low density make composites a highly useful material in air transport (civil and military) and aerospace applications.

Power electronics

Power electronics refers to a branch of electrical engineering concerned with converting electrical energy from one form to another, by means of converters.

This includes the design, production and maintenance of:

- high-power electrical components;
- structures, control systems and applications of power converters.

Power transmission systems

A power transmission system refers to a mechanical device that harnesses a portion of the engine’s energy in order to power essential systems on the aircraft, such as hydraulics and electrics, and on the engine itself (oil, fuel and electricity).

Predictive maintenance

Predictive maintenance involves the scheduling of maintenance interventions before failures occur, by examining the condition of a system with respect to predefined threshold values.

According to French standard NF EN 13306 X 60-319, predictive maintenance is a condition-based maintenance performed on the basis of extrapolations from the analysis of significant deterioration parameters.

The principle is to determine any manifest visible or non-visible signs of deterioration. The challenge is knowing how to recognize these signs. To detect deterioration (physical, chemical, behavioral, electrical, etc.), special equipment is used to measure signs such as untoward changes in temperature, vibration, pressure, dimension, position, noise, etc.

Primary and secondary electric distribution systems

The primary distribution system concentrates the energy produced by all of the aircraft’s available sources of power and makes it available for all electrical loads, using network reconfiguration intelligence.

The secondary distribution system provides power to equipment such as interior/exterior lighting and cabin ventilation, which the airframer wishes to be switchable at different flight stages.

Primary mirror

In astronomy, the primary mirror is the main light-gathering surface (the objective) of a reflecting telescope. Light gathered by the primary mirror is directed towards a focal point typically past the location of the secondary mirror. The diameter of a telescope is measured as the diameter of the primary mirror.

Propfan

A propfan, also known as an open rotor engine, is a type of aircraft engine in which the fan is mounted directly on the power turbine outside the nacelle. This has the advantage of increasing the bypass ratio and thereby reducing fuel consumption.

Quick-Response Quality Control (QRQC)

QRQC is a fast problem-solving management method that emphasizes constant vigilance and immediate response.

Retrofit

Retrofit operations involve replacing old or obsolete components by more recent components, without modifying the function thereof. At Safran, the term is used for Aircraft Interiors. Retrofit includes replacing cabin parts, such as seats or galleys, whose life cycle has come to an end or which are worn out and need to be replaced.

Reverse thrust

In aeronautics, reverse thrust refers to the temporary diversion of some or all of a propeller or jet engine’s thrust so that it is directed forward rather than backward, thus decelerating the aircraft to shorten the landing distance.

Ring laser gyroscope

A ring laser gyroscope is a rotation sensor that uses the Sagnac effect to measure the shifting interference pattern of a beam split into two halves, as the two halves move around the ring in opposite directions. With their three gyroscopes, the inertial navigation systems found on certain ships, aircraft, satellites and submarines can measure the angular velocity of a mobile object in all three dimensions. Because of its greater accuracy, the ring laser gyroscope has replaced the mechanical gyroscopes used previously.

Rotating combustion chamber

A combustion chamber is an enclosure capable of withstanding the sudden and extreme changes in pressure and temperature caused by the deliberate combustion of specific chemicals. It is designed to transform the energy produced by this combustion into work, or force, prior to discharge of the exhaust gases.

Turbine

The turbine, a device that converts fluid flow into rotary motion, is a major aviation component. Turbine engines are used for powering helicopters and providing electrical energy onboard commercial aircraft. The Djinn helicopter made direct use of air compressed by a turbine to power its rotor, instead of using mechanical conversion.

Turbofan

A turbofan is a type of jet engine that reduces fuel consumption and increases thrust performance by taking in more air than is needed by the turbine. The additional air flow bypasses the turbine.

Shaft horsepower (shp)

Shaft horsepower is the power delivered to a propeller or turbine shaft. The term is used to quantify the power of helicopter engines.

Short Take-off and Landing (STOL) aircraft

A short take-off and landing (STOL) aircraft is a fixed-wing aircraft capable of using short runways (usually less than 200 meters) to take off and land.

Stationary plasma thruster

A stationary plasma thruster, or Hall-effect thruster (HET), is a type of plasma thruster (generally ring-shaped) in which the propellant is accelerated by an electric field. It is known as a Hall-effect thruster because it traps electrons in a magnetic field for use in ionizing the propellant. These ions are then accelerated to produce thrust. The thruster falls within the category of electric propulsion for space systems.

Supply chain

Supply chain refers to the management of all resources, means, methods, tools and techniques aimed at managing, in the most efficient way possible, the overall supply and delivery chain of a product or service to the end-customer. At Safran, the supply chain is structured around a unique approach entitled “One Safran”, which is aimed at developing Group-wide take-up of a common corporate management system and performance indicators and deploying operational excellence, in order to ensure product quality and reliability. The initiative involves building on best practices and extending them throughout the Group.

Sustainable Development Goals (SDGs)

Established by the UN, the SDGs set 17 priorities through 169 goals for socially fair, environmentally secure, economically prosperous, inclusive and predictable development by 2030.

Vertical take-off and landing (VTOL) aircraft

A vertical take-off and landing (VTOL) aircraft is a fixed-wing aircraft that does not need the runway space usually required for take-off and landing. VTOL aircraft are sometimes known as hybrid or convertible aircraft, especially in the case of tiltrotor planes. The VTOL category does not extend to air balloons, airships or helicopters.

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