



SAFRAN

A French *société anonyme* (joint-stock corporation)
with a Board of Directors and share capital of €85 452 108,20
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INTERNAL RULES OF THE BOARD OF DIRECTORS

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INTRODUCTION

The Internal Rules of the Board of Directors of Safran (the *Company* or *Safran*) were amended by decision of the Board of Directors on February 24, 2021.

For the purpose of these Internal Rules, the Group includes the Company and any company or entity controlled, directly or indirectly, by the Company within the meaning of Article L.233-3 of the French Commercial Code (*Code de commerce*) (the *Group*).

The rules applicable to the Board of Directors, which are based in particular on the recommendations of the AFEP-MEDEF Corporate Governance Code of Listed Corporations, are as follows:

ARTICLE 1 – PURPOSE OF THE INTERNAL RULES

- 1.1 The members of the Board of Directors are subject to the applicable laws and regulations and the provisions of the Company's bylaws.
- 1.2 The purpose of these Internal Rules, in the interests of the members of the Board of Directors and of the Company and its shareholders, is:
 - to set out the duties of the members of the Board of Directors;
 - to supplement the applicable laws and regulations as well as the provisions of the Company's bylaws, and clarify the operating procedures of the Board of Directors.
- 1.3 These Internal Rules apply to every member of the Board of Directors.

If a member of the Board of Directors is a legal entity, the provisions of these Internal Rules apply to its permanent representative as if he or she were a member of the Board in his or her own name, without prejudice to the obligation for the legal entity that he or she represents to comply with the obligations set out herein.
- 1.4 Every member of the Board of Directors is deemed, upon taking office, to adhere to these Internal Rules and must comply with all the provisions hereof.
- 1.5 A copy of these Board of Directors' Internal Rules will be signed by the Chief Executive Officer and every Deputy Chief Executive Officer (if any) when they are appointed (unless they are also Directors), as well as each time the provisions of these Internal Rules regarding the scope of the powers of the Chief Executive Officer or the Deputy Chief Executive Officer(s) (if any) are amended. If they are not also Directors, the Chief Executive Officer and every Deputy Chief Executive Officer (if any) will acknowledge having read and accepted the provisions relating to the scope of their powers.

CHAPTER I

MEMBERSHIP STRUCTURE OF THE BOARD OF DIRECTORS

ARTICLE 2 – MEMBERSHIP STRUCTURE OF THE BOARD OF DIRECTORS

- 2.1 The Board of Directors has at least three and no more than 14 members:
 - including, where applicable, a representative of the French State appointed pursuant to Article 4 of French government *ordonnance* (order) 2014-948 dated August 20, 2014 and Directors put forward by the French State pursuant to Article 6 of said *ordonnance*, as provided for in Article 14.1 of the Company's

bylaws;

- plus, where applicable, any Directors representing employee shareholders, appointed as provided for in Article 14.8 of the Company's bylaws, and any Directors representing employees, appointed as provided for in Article 14.9 of the bylaws.

2.2 Directors may be:

- individuals; or
- legal entities. Legal entities appointed to the Board of Directors must designate a permanent representative who will be subject to the same conditions and duties and have the same responsibilities as if he or she were a Director in his or her own name, without prejudice to the joint and several liability of the legal entity that he or she represents.

2.3 At least half of the members of the Board of Directors must be independent Directors.

Directors representing employee shareholders and Directors representing employees are not taken into account when calculating the percentage of independent Directors.

In general, independent Directors are those who do not have any relationship whatsoever with the Company, the Group or its Management that may compromise their freedom of opinion.

2.4 A Director is deemed independent when he or she meets all of the following criteria:

- an independent Director must not be, or must not have been, during the past five years:
 - an employee or executive corporate officer of the Company,
 - an employee, executive corporate officer or Director of a company that is consolidated by the Company,
 - an employee, executive corporate officer or Director of Safran's parent company or a company consolidated by Safran's parent company;
- 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;
- an independent Director must not be a customer, supplier, commercial banker, investment banker or advisor:
 - that is significant for the Company or the Group, or
 - for which the Company or the Group represents a significant portion of its business;
- 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 (i) preparing or soliciting offers for services from one or more of said banks with the Company or any other Group company, (ii) the work of any of said banks in event of the performance of a mandate entrusted to the bank by the Company 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;
- an independent Director must not have any close family ties with a corporate officer of the Company or any other Group company;
- an independent Director must not have been a Statutory Auditor of the Company in the past five 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;
- an independent Director must not be a major shareholder of the Company.

The Board of Directors may consider that, although a Director meets all the above criteria, he or she cannot qualify as independent due to his or her particular situation or that of the Company. Conversely, the Board may consider that a Director who does not meet the above criteria is nevertheless an independent Director.

- 2.5 Every year, the independence status of each Director is discussed by the Appointments and Compensation Committee and reviewed on a case-by-case basis by the Board of Directors, in view of the above criteria.

The independence status of Directors is also discussed during the appointment of new Directors and the re-appointment of sitting Directors.

The results of the Board’s review of Directors’ independence status are disclosed to the shareholders in the corporate governance report.

- 2.6 The Board of Directors assesses whether its membership structure is sufficiently balanced and includes a description of its diversity policy in the corporate governance report (objectives, implementation and outcomes).

CHAPTER II
POWERS OF THE BOARD OF DIRECTORS, THE CHIEF EXECUTIVE OFFICER AND THE DEPUTY CHIEF EXECUTIVE OFFICER(S) (IF ANY) – TRANSACTIONS REQUIRING THE PRIOR APPROVAL OF THE BOARD OF DIRECTORS

ARTICLE 3 – POWERS OF THE BOARD OF DIRECTORS AS DEFINED BY THE APPLICABLE LAWS AND REGULATIONS

- 3.1 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. Subject to the powers directly vested in the Annual General Meeting, 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.
- 3.2 In accordance with the applicable laws and regulations and the terms and conditions set out in these 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;
 - preparing the financial statements of the Company and the Group and drawing up the annual management report;
 - authorizing related-party agreements governed by Articles L.225-38 *et seq.* of the French Commercial Code;

- 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,
 - 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 provisions of the law, the Company's bylaws and these Board of Directors' Internal Rules;
- dividing among its members the aggregate annual compensation allocated by the shareholders at the Annual General Meeting to the Directors as consideration for their duties;
- deciding on issues of debt securities not carrying rights to shares;
- deciding whether to allocate compensation to Board Advisors (*censeurs*), if any;
- giving the Chief Executive Officer authorization (which may be delegated) to grant guarantees, endorsements and sureties, in accordance with conditions set by the Board.

3.3 In addition, the Board of Directors performs any checks and controls that it deems appropriate. Each Director is provided with all the information required to carry out his or her duties and may request any documents that he or she deems useful.

3.4 In general, the Board of Directors:

- is regularly briefed by the Chairman and the Board Committees – and, where applicable, the Chief Executive Officer or the Deputy Chief Executive Officer(s) (if any) – on the Company's financial position, cash resources and commitments and, more broadly, on any significant events concerning the business activities of the Company or the Group;
- ensures that the shareholders are properly informed, particularly by reviewing the information communicated to the Board by the Company's executives; and
- ensures that the Company has procedures in place for identifying, evaluating and monitoring its commitments and risks (including off-balance sheet), and an appropriate internal control system.

ARTICLE 4 – TRANSACTIONS REQUIRING THE PRIOR APPROVAL OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH THE INTERNAL PROCEDURES OF THE COMPANY AND THE GROUP

4.1 In addition to the legal and regulatory requirements concerning prior authorizations that must be obtained from the Board of Directors, the following operations must also be approved by the Board of Directors before they can be carried out by the Chief Executive Officer or a Deputy Chief Executive Officer (if any), in accordance with the

internal procedures of the Company and the Group:

- decisions related to starting up significant business activities in France or abroad;
 - directly, by creating a site, branch or direct or indirect subsidiary, or
 - indirectly, by acquiring an interest;
- decisions to withdraw from such business activities in France or abroad;
- material operations likely to affect the Group's strategy or modify its financial structure or the scope of its activity.

The classification of such operations as "material" is decided by the Chief Executive Officer or any other person duly authorized to implement such operations.

4.2 The Board of Directors' prior approval is systematically required for the following:

4.2.1 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 company;

4.2.2 any investment, divestment, expenditure commitment or warranty related to the following operations or decisions and which represents an amount equal to or more than €50 million for the Company or any Group company:

- 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 operations and decisions that result in the signature of agreements exclusively involving Group companies (between these companies or with the Company).

4.3 The Board of Directors' prior approval is systematically required for each of the following operations or decisions if they represent an amount equal to or more than €400 million for the Company or any Group company:

- 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 operations and decisions that result in the signature of agreements exclusively involving Group companies (between these companies or with the Company).

- 4.4 The Board of Directors' prior approval is systematically required for any offer or industrial or commercial project entered into by the Company or any Group company 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.
- 4.5 Furthermore, the following operations 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 the Company's share 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 the Company 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.
- 4.6 All requests for the prior agreements and approvals referred to above in Articles 3.2, 4.1, 4.2, 4.3, 4.4 and 4.5 are:
- made orally or in writing by the Chief Executive Officer to the Chairman of the Board of Directors or, where applicable, the Vice-Chairman of the Board of Directors;
 - included in the agenda of the Board of Directors' meeting during which they will be discussed; and
 - discussed during said Board of Directors' meeting. The presentation given to the Board at said meeting should include information about the social and environmental aspects of the project in question, where such information is relevant.

The prior agreements and approvals referred to above in Articles 3.2, 4.1, 4.2, 4.3, 4.4 and 4.5 are:

- recorded in the minutes of the Board of Directors' meeting; and
- communicated to the Chief Executive Officer via an extract of said minutes, unless the Chief Executive Officer is also a Director.

ARTICLE 5 – POWERS OF THE CHIEF EXECUTIVE OFFICER AND THE DEPUTY CHIEF EXECUTIVE OFFICER(S) (IF ANY) – SPECIFIC RESTRICTIONS PLACED BY THE BOARD OF DIRECTORS ON THE POWERS OF THE CHIEF EXECUTIVE OFFICER AND THE DEPUTY CHIEF EXECUTIVE OFFICER(S) (IF ANY)

- 5.1 The powers that, pursuant to the applicable laws and regulations and the provisions of the Company's bylaws and these Board of Directors' Internal Rules, are reserved neither to the Board of Directors nor the Annual General Meeting are vested to the Chief Executive Officer and the Deputy Chief Executive Officer(s) (if any).

When the Chief Executive Officer or a Deputy Chief Executive Officer is appointed, the Board of Directors may decide to place specific restrictions on his or her powers. In such case, this article of the Internal Rules will be updated on the date of the Board's decision, to include such specific restrictions.

The Board of Directors may also restrict the scope of the powers of the Chief Executive Officer or a Deputy Chief Executive Officer for any given transaction. Where applicable, such restrictions will be recorded in the minutes of the Board meeting that authorizes said transaction.

CHAPTER III – OBLIGATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

ARTICLE 6 – GENERAL OBLIGATIONS

Before accepting office, every member of the Board of Directors must have familiarized themselves with the general and specific obligations relating to the role of Director. They must also be familiar with the laws and regulations applicable to their duties, as well as with the provisions of the Company's bylaws and these Board of Directors' Internal Rules, which apply to the members of the Board of Directors in their entirety.

Every member of the Board of Directors must comply with the laws and regulations governing the duties of Directors of French *sociétés anonymes* (joint-stock corporations), as well as with the provisions of the Company's bylaws and these Board of Directors' Internal Rules, especially the rules relating to:

- the definition of the powers of the Board of Directors;
- multiple directorships;
- incompatibilities and incapacities;
- agreements entered into, directly or indirectly, between members of the Board of Directors and the Company; and
- the possession and use of inside or confidential information.

ARTICLE 7 – DUTY OF LOYALTY AND CONFLICTS OF INTEREST

- 7.1 The members of the Board of Directors must not, in any circumstances, put their own interests before those of the Company.
- 7.2 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 the Company, or any of the companies in which the Company holds an interest, or any of the companies with which the Company is planning to enter into an agreement of any sort.
- 7.3 In the event that a member of the Board of Directors suspects the existence of a conflict of interest, or a potential conflict of interests, he or she must immediately inform the Chairman of the Board of Directors (or if the Chairman is unavailable, the Vice-Chairman, or, failing that, the Lead Independent Director), whose responsibility it is to decide whether or not a conflict of interests exists and, if so, to inform the Board of Directors and follow the process described in this article.

In the event that the member of the Board of Directors concerned is the Chairman of the Board of Directors him or herself, then he or she must inform the Vice-Chairman of the Board of Directors or, failing that, the Lead Independent Director.

- 7.4 The member of the Board of Directors concerned must, when the agreement in question is not an agreement entered into in the ordinary course of business on arm's length terms, abstain from voting on the decisions relating to the agreement and from taking part in any discussions preceding the vote.
- 7.5 In addition, the Chairman of the Board of Directors, the members of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer(s) (if any) 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, within the meaning of this Article 7, any information or documents relating to the agreement or operation causing the conflict of interest in question, and they will inform the Board of Directors of the non-transmission.

ARTICLE 8 – NON-COMPETE OBLIGATION

For their entire term of office, every member of the Board of Directors is prohibited from exercising any duties in a competitor business of the Company or any Group company, without obtaining the Chairman's prior approval.

ARTICLE 9 – GENERAL INFORMATION OBLIGATION

Every member of the Board of Directors must, in accordance with the applicable laws and regulations in France and Europe, provide the Board of Directors with all information relating to:

- the compensation and benefits of any kind paid to them by the Company or any Group company;
- their offices and positions in any companies and other legal entities, including their membership of any committees of French or foreign committees; and
- any convictions.

ARTICLE 10 – DUTY OF CONFIDENTIALITY – INSIDE INFORMATION

10.1 In general, all:

- documents pertaining to Board of Directors' meetings; and
- information gathered during or outside of Board of Directors' meetings;

are confidential, without exception, regardless of whether the information gathered is presented as confidential.

10.2 Over and above the simple obligation of discretion required under the applicable laws and regulations, every member of the Board of Directors must consider themselves bound by professional secrecy.

Accordingly, the members of the Board of Directors:

- may not use any information to which they become party in the performance of their duties or communicate such information to a third party, for any reason whatsoever;
- undertake not to express their personal views, except during the Board's internal discussions, on the matters raised during Board meetings and on the opinions expressed by the other Board members; and
- must take all necessary measures to ensure that such confidentiality is maintained, including measures to protect the files and documents communicated to them.

10.3 This duty of confidentiality does not prohibit a permanent representative of a legal

entity Director from providing information to the management or supervisory body of the legal entity, it nevertheless being specified that the legal entity must take all necessary measures to ensure that strict confidentiality is maintained by all the persons with whom the information is shared.

- 10.4 However, the members of the Board of Directors may be required to disclose confidential information where the applicable laws and regulations or a judicial, administrative or competent market authority compel them to do so. In such event, they must not disclose any more information than is strictly necessary in view of their obligations.
- 10.5 Information is no longer considered confidential when it has been disclosed to the public in accordance with the laws and regulations applicable to the Company.
- 10.6 In addition to this duty of confidentiality, the members of the Board of Directors 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.
- 10.7 In the performance of their duties, every member of the Board of Directors has access to inside information on a regular basis. Inside information is information:
 - that is precise;
 - that has not been made public;
 - that concerns the Company or any Group company, the business, earnings or financial position of the Company or any Group company or the financial instruments issued by the Company or any Group company;
 - that, were it to be made public, is likely to have a significant impact on the Company's share price.
- 10.8 Accordingly, every member of the Board of Directors will be included on the insider list drawn up by Company and made available to the French financial markets authority (*Autorité des marchés financiers* – AMF), either as an occasional insider owing to their knowledge of specific inside information or a permanent insider.
- 10.9 Once a member of the Board of Directors possesses inside information, he or she must, in accordance with the applicable laws and regulations, refrain from:
 - using said information to acquire or dispose of the financial instruments to which the information relates or the financial instruments to which such instruments are linked, on his or her own behalf or on behalf of third parties, whether directly or indirectly;
 - using said information to cancel or amend a transaction order, where the order was placed before he or she possessed the information;
 - disclosing said information to any third parties except in the normal course of his or her employment, profession or duties;
 - recommending that another person acquire or dispose of or have a third party acquire or dispose of (or cancel or amend a transaction order), on the basis of inside information, the financial instruments to which said information relates or the financial instruments to which such instruments are linked;
 - attempting to perform any of the above-mentioned actions.

ARTICLE 11 – HOLDING OBLIGATIONS WITH RESPECT TO FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY

11.1 Every Director – other than the representative of the French State appointed pursuant to Article 4 of French government *ordonnance* (order) 2014-948 dated August 20, 2014, the Directors put forward by the French State pursuant to Article 6 of said *ordonnance*, the Directors representing employee shareholders and the Directors representing employees – is required to own at least 500 registered shares of the Company. This 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 in such funds is equivalent to at least 500 shares.

If a Director comes to hold less than 500 registered shares, he or she has two months to increase his or her shareholding back to 500 registered shares of the Company. If the Director concerned does not hold the required number of shares by the end of this period, he or she will automatically be deemed to have resigned.

Each Director representing employee shareholders is required to hold – either individually or through a Group corporate mutual fund (FCPE) invested in Safran shares – at least one share or a number of units in the fund equivalent to at least one share.

11.2 If stock options or performance shares are granted to corporate officers, they must keep a significant proportion of the vested shares in registered form until their duties as corporate officer cease. The applicable proportion will be set by the Board of Directors.

All corporate officer beneficiaries of stock option and performance share grants must give a formal undertaking to refrain from using instruments to hedge their risks on the vested shares, until after the end of the lock-up period set by the Board of Directors.

11.3 In accordance with the applicable laws and regulations, every member of the Board of Directors and every corporate officer must:

- respect the disclosure obligations, vis-à-vis the AMF, regarding all transactions, particularly acquisitions, disposals, subscriptions or exchanges, relating to shares or debt securities of the Company, or derivatives or other financial instruments linked to them, as described in the Company’s Code of Ethics;
- notify the Company of such transactions immediately; and
- send the Company a list of all persons closely associated with them and inform said persons of their obligations.

11.4 Furthermore, the members of the Board of Directors and the corporate officers, as well as the persons closely associated with them in accordance with the applicable laws and regulations, must not carry out any transactions in the Company’s shares:

- in the 30 calendar days preceding the publication date of the Group’s annual and interim consolidated results; and
- in the 15 calendar days preceding the publication date of the Group’s quarterly revenue figures.

ARTICLE 12 – ASSIDUITY AND NUMBER OF DIRECTORSHIPS

12.1 Every member of the Board of Directors must devote the necessary time and attention to their duties.

12.2 Every member of the Board of Directors undertakes to diligently attend, except in the event of insurmountable impediment:

- all Board of Directors' meetings in person, where applicable by videoconference or any other means of telecommunications;
 - all Annual General Meetings;
 - all meetings of the Board Committees of which they are a member.
- 12.3 The variable portion of the compensation allocated to Directors, as defined in Article 23 of these Internal Rules, is based on Directors' attendance.
- 12.4 Directors may not hold more than four other directorships in listed companies, including foreign companies, outside of the Group.
- 12.5 Where the roles of Chairman of the Board of Directors and Chief Executive Officer are separated, the maximum number of directorships that may be held by the Chairman in listed companies outside of Group is also limited to four.
- 12.6 Executive corporate officers may not hold more than two other directorships in listed companies, including foreign companies, outside of the Group.
- 12.7 The limits specified in Articles 12.4 and 12.6 above apply when Directors are appointed or re-appointed.
- Corporate officers must also seek the Board of Directors' opinion before accepting any new corporate officer in a listed company.

ARTICLE 13 – ACCESS TO INFORMATION

- 13.1 The members of the Board of Directors, either collectively or individually, may request any information deemed useful or necessary for the performance of their duties.
- 13.2 The obligation of the members of the Board of Directors to request all appropriate information is matched by their right to obtain the requested information.
- 13.3 The members of the Board of Directors should address their requests for information to the Chairman of the Board of Directors, whose responsibility it is to ensure that their requests are met.
- 13.4 The Chairman of the Board of Directors or the Board of Directors, at the request of at least one-third of its members, may call on the Chief Executive Officer or the Deputy Chief Executive Officer(s) (if any), whenever deemed useful or necessary.

CHAPTER IV –

OPERATING PROCEDURES OF THE BOARD OF DIRECTORS

ARTICLE 14 – ROLE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

- 14.1 The Chairman of the Board of Directors is responsible for organizing and managing the work of the Board of Directors and reports thereon to shareholders at the Annual General Meeting.
- 14.2 On the proposal of the Chairman of the Board of Directors, the Board of Directors appoints a Secretary, who does not need to be a member of the Board of Directors. If the Secretary is not a Board member, he or she is still subject to the duty of confidentiality applicable to the members of the Board of Directors, as described in Article 10 above.

- 14.3 The Chairman of the Board of Directors ensures that the Company's corporate governance structures function effectively, especially the Board Committees.
- 14.4 The Chairman of the Board of Directors ensures that the Board members are able to properly perform their duties, especially within the Committees.
- 14.5 The Chairman of the Board of Directors is the only Board member who has the powers to communicate information on behalf of the Board of Directors.
- 14.6 The Chairman of the Board of Directors ensures that the Board members devote the necessary time to the matters of interest to the Company and the Group.
- 14.7 If the Chairman is unavailable, the responsibilities set out in Articles 14.1 to 14.6 above are performed by the Vice-Chairman, if there is one, or, failing that, the Lead Independent Director, if there is one.
- 14.8 Meetings of the Board of Directors are chaired by the Chairman. If the Chairman is unavailable, they are chaired by the Vice-Chairman. If there is no Vice-Chairman, they are chaired by the Lead Independent Director. If both the Vice-Chairman and the Lead Independent Director are unavailable, or if there is no Vice-Chairman or Lead Independent Director, the Board of Directors appoints one of its members to chair the meeting.
- 14.9 The Chairman of the Board of Directors also has the following responsibilities:
- representing the Group, with the support of and in concertation with Executive Management, in France and abroad in dealings with government authorities, major customers, partners and institutional shareholders;
 - organizing the Board's strategic work, in concertation with Executive Management;
 - working with the Board on the preparation and implementation of succession plans for the Group's key operations managers and support function managers, in concertation with Executive Management.
- 14.10 The Chairman of the Board of Directors may attend, in an advisory capacity, all meetings of the Board Committees of which he or she is not a member, other than the Appointments and Compensation Committee (the Chairman is involved in the Committee's work on selecting and appointing candidates, but not on determining compensation), and may consult those Committees on any issues in their area of expertise.
- 14.11 The Chairman of the Board of Directors is available at all times to answer any question that the Board members may have regarding their duties.
- If the Chairman of the Board of Directors wishes to discuss his or her own duties with a Board member, he or she can submit those questions to the Vice-Chairman of the Board of Directors, if there is one, or the Lead Independent Director, if there is one.
- 14.12 The Chairman of the Board of Directors oversees the preparation of the corporate governance report.

ARTICLE 15 – FREQUENCY OF BOARD OF DIRECTORS' MEETINGS

- 15.1 The Board of Directors meets at least once every quarter and as often as required in the interests of the Company.
- 15.2 The number of meetings of the Board of Directors and the Board Committees in a given year must be indicated in the corporate governance report, which must also provide shareholders with all useful information on individual Board members' participation in the meetings.

ARTICLE 16 – NOTICE OF BOARD OF DIRECTORS’ MEETINGS AND RIGHT TO INFORMATION

16.1 Meetings of the Board of Directors are called by the Chairman of the Board of Directors or, if he is unable to do so, by the Vice-Chairman, if there is one. If there is no Vice-Chairman, meetings are called by the Lead Independent Director, if there is one.

16.2 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, where applicable, a Deputy Chief Executive Officer or the Vice-Chairman, may also request that the Chairman call a Board meeting to consider a specific agenda.

In both such cases, the Chairman is required to call a Board meeting within seven days of receiving the request (or within a shorter timeframe in the event of urgency).

16.3 Notices to Board of Directors’ meetings are issued in writing by any appropriate method, at least ten calendar days prior to the scheduled meeting date. The notice period may, however, be reduced in the event of urgency, which must be duly justified.

The Board of Directors may validly hold a meeting without notice if all of its members are present or represented.

16.4 Except in the event of urgency, the notice of meeting is accompanied by the agenda and all necessary information to enable the Board members to consider and make an informed decision on the items on the agenda.

ARTICLE 17 – MEETING VENUE

Meetings of the Board of Directors are preferably held at the Company’s registered office or at any other venue stated in the notice of meeting.

ARTICLE 18 – AGENDA

18.1 Meetings of the Board of Directors are called to consider a specific agenda.

18.2 Directors have both the right and the responsibility to ask the Chairman of the Board of Directors to include certain items in the draft agenda, if they considers that such items fall within the remit of the Board of Directors.

18.3 At least annually, the Board of Directors is invited by its Chairman to assess its operating procedures.

ARTICLE 19 – PARTICIPATION OF BOARD OF DIRECTORS’ MEMBERS AT BOARD OF DIRECTORS’ MEETINGS

19.1 Directors may be represented at Board meetings by another Director.

Directors may not hold more than one proxy at any single Board meeting.

Proxy must be given in writing:

- by letter;
- by fax;
- by email, with the signed proxy attached to the email.

19.2 In accordance with Article 20 below, the members of the Board of Directors may participate in Board meetings by videoconference or any other means of telecommunications.

- 19.3 In accordance with Article 18.2 of the Company's bylaws, as permitted by the law in a restricted number of cases, the Board of Directors may make decisions by means of written consultation.

At the date hereof (excluding special provisions), those restricted cases are as follows:

- the temporary appointment of Directors;
- authorizations for the types of guarantees referred to in Article L.225-35 of the French Commercial Code;
- amendments to align the bylaws with the applicable laws and regulations;
- the calling of an Annual General Meeting; and
- the transfer of the Company's registered office to a new location in the same *département*.

ARTICLE 20 – USE OF VIDEOCONFERENCE OR ANY OTHER MEANS OF TELECOMMUNICATIONS AND WRITTEN CONSULTATION

20.1 – USE OF VIDEOCONFERENCE OR ANY OTHER MEANS OF TELECOMMUNICATIONS

- 20.1.1 The members of the Board of Directors may participate in Board meetings by videoconference or any other means of telecommunications.
- 20.1.2 In accordance with the applicable laws and regulation, such means may not be used to participate in the Board meetings approving the financial statements of the Company and the Group and drawing up the management reports of the Company and the Group.
- 20.1.3 The means used must enable the participants to be identified and to effectively participate in the Board meeting, i.e., they must at the very least transmit the participants' voices and satisfy technical criteria for continuous, real-time connection to the meeting.
- 20.1.4 Any members of the Board of Directors who wish to participate in a Board meeting by videoconference or any other means of telecommunications must notify the Chairman in writing at least 24 hours before the date of said Board meeting.
- 20.1.5 Any members of the Board of Directors who participate in a Board meeting by videoconference or any other means of telecommunications are considered as being physically present for the purposes of calculating the quorum and voting majority.
- 20.1.6 All necessary steps must be taken to enable the participants to be identified and the quorum to be verified.

Failing this, the Board of Directors' meeting will be adjourned.

20.1.7 The attendance register is signed by the Secretary on behalf of any Board members who attend a Board meeting by videoconference or any other means of telecommunications and are therefore unable to sign the register (for themselves and for those they represent).

These members sign a separate sheet that is sent to the Secretary and then attached to the attendance register.

20.1.8 In accordance with the applicable laws and regulations, the minutes of the meeting indicate any Board members who participated by videoconference or any other means of telecommunications.

The minutes also record any technical issues with the videoconference or other means of telecommunications, if such technical incident disrupted or interrupted the meeting.

In the event of such issues, the items will be discussed again after the disruption or interruption has been resolved.

20.2 – WRITTEN CONSULTATION

- 20.2.1 At the request of the Chairman, the consultation is sent by the Board Secretary to every Director, with an indication of the deadline for submitting their response. The response period is determined on a case-by-case basis by the Chairman, depending on the decision and the urgency thereof or the time required to consider the matter before voting.

The document sent to the Directors indicates the procedure for (including the response deadline) and the purpose of the consultation, a presentation of and the reasons for the proposed decision and the draft decision. The document contains a dedicated space where Directors write their name, indicate their vote, include a comment (if necessary) and add their signature.

Directors submit their response by returning the completed document to the Board Secretary or by replying to the email sent to them by the Board Secretary with their vote.

- 20.2.2 Decisions are taken by a simple majority of the Directors constituting the quorum, except in the cases where the bylaws and these Internal Rules include different rules for the decision subject to the consultation.

Any Directors who do not respond by the deadline are deemed not to be included in the quorum for the purpose of the decision subject to the consultation, except where it is possible to extend said deadline.

The Board Secretary consolidates the Directors' votes on the proposed decision and informs the Board of the result of the vote. Where applicable, the Board Secretary also shares any comments expressed by the Directors.

The decision is formalized in the minutes, which are signed and retranscribed in the register of the Board of Directors' decisions.

- 20.2.3 The use of electronic messaging is suitable for written consultation, insofar as any comments expressed by the Directors can consequently be shared before the response deadline, to the extent possible.

If required, these Internal Rules will be interpreted in such a manner as to permit written consultation as described above.

ARTICLE 21 – ATTENDANCE OF THIRD PARTIES AND BOARD ADVISORS (*CENSEURS*) AT BOARD OF DIRECTORS' MEETINGS

Invitations

- 21.1 Depending on the matters included in the agenda, the Chairman of the Board of Directors may decide, notably on the proposal of a Board member, to invite any person whom he or she deems appropriate, whether said person is a Company employee or not, to provide information or inform the Board's discussions prior to a vote.

Statutory Auditors

- 21.2 The Statutory Auditors are invited to attend the meetings during which the annual and interim financial statements of the Company and/or the Group are analyzed in draft form.
- 21.3 The Statutory Auditors are invited to attend the Board of Directors' meetings during which the annual and interim financial statements of the Company and/or the Group

are examined.

- 21.4 The Statutory Auditors are invited at the same time as the members of the Board of Directors, but their notice is sent by way of registered letter with recorded delivery.

Board Advisors (*censeurs*)

- 21.5 Board Advisors (*censeurs*) are invited to all Board of Directors' meetings.
- 21.6 They take part in the discussions in an advisory capacity.
- 21.7 They are responsible for monitoring the strict application of the bylaws. They also provide information and advice to the Board of Directors.

Duty of confidentiality

- 21.8 If a third party who is not a member of the Board of Directors is invited to attend a Board meeting or to participate in the preparatory work for such meeting, the Chairman of the Board of Directors reminds said third party of his or her duty of confidentiality in respect of the information gathered during, or prior to, the Board meeting.

ARTICLE 22 – ATTENDANCE REGISTER – MINUTES

- 22.1 An attendance register is kept at each Board of Directors' meeting, which is signed by the Board members in attendance.
- 22.2 The draft minutes of the previous Board of Directors' meeting are sent or handed to all Board members, at the latest, at the same time as the notice of the following meeting.
- 22.3 The Chairman of the Board of Directors and the Secretary are authorized to certify copies or extracts of the minutes of Board of Directors' meetings.

ARTICLE 23 – COMPENSATION ALLOCATED TO THE MEMBERS OF THE BOARD OF DIRECTORS

- 23.1 In accordance with the applicable laws and regulations and the provisions of the Company's bylaws, the Annual General Meeting sets the aggregate annual amount of compensation allocated to members of the Board of Directors as consideration for their duties, effective for the current year and subsequent years until the shareholders decide otherwise.
- 23.2 The aggregate annual amount of compensation referred to in Article 23.1 above is allocated, in full or in part, in accordance with the most recent Directors' compensation policy, adopted by the Board of Directors and approved by the Annual General Meeting.

CHAPTER V – COMMITTEES OF THE BOARD OF DIRECTORS

ARTICLE 24 – STANDING AND TEMPORARY COMMITTEES

- 24.1 The Board of Directors is assisted in its work by three standing committees:
- an Audit and Risk Committee;
 - an Appointments and Compensation Committee;
 - an Innovation, Technology & Climate Committee.
- 24.2 Where applicable, the Board of Directors may create further standing committees or,

on an ad hoc basis, special temporary committees.

In the event of the creation of a standing committee, these Internal Rules will be amended for the purpose of specifying the roles and responsibilities, resources, membership structure and operating procedures of such new committee.

In the event of the creation of a special temporary committee to analyze, deal with or monitor specific or strategic subjects or projects, the Board of Directors' meeting that decides to create such committee will specify the roles and responsibilities and, where applicable, the specific operating procedures thereof, without any amendment to these Internal Rules being required.

ARTICLE 25 – RULES APPLICABLE TO ALL STANDING COMMITTEES

- 25.1 Each Committee carries out in-depth analysis and work prior to the Board of Directors' discussions and contributes to the preparation of the Board of Directors' decisions.

The Committees have no decision-making power and the opinions, proposals and recommendations that the Committees submit to the Board of Directors are in no way binding on the Board of Directors.

- 25.2 The members of the Committees must be Directors and are appointed in a personal capacity by the Board of Directors.

A permanent representative of a legal entity Director may also be appointed to a Committee, it being specified that, if the permanent representative is replaced, the legal entity will cease to be a member of that Committee.

- 25.3 The terms of Committee members are renewable.

- 25.4 Directors may be members of several Committees.

- 25.5 Directors are appointed to one or several Committee(s) for the duration of their term of office as a Director.

- 25.6 The Board of Directors can remove Committee members at any time, without having to justify such removal.

- 25.7 The Board of Directors appoints a Chairman of each Committee from among the members of that Committee.

- 25.8 Each Committee sets the frequency of its meetings, which are held at the Company's registered office.

- 25.9 Each Committee can meet at any time, at the request of its Chairman, the majority of its members, the Chairman of the Board of Directors or one-third of the Directors.

- 25.10 The person who issues the notice sets the agenda for the meeting.

- 25.11 A Committee can only meet if more than half of its members are present, by any of the means permitted by the applicable laws and regulations or the provisions of the bylaws or these Internal Rules for participating in Board of Directors' meetings.

- 25.12 The opinions, proposals and recommendations of each Committee are adopted by a majority of the Committee members present.

In the event of a split decision, the Committee Chairman will not have the casting vote.

- 25.13 The Chairman of any Committee may invite all the Directors to attend one or more meetings of that Committee, as well as any other persons whose presence is necessary

for the discussions on the items included in the agenda.

Only the members of the Committee concerned take part in the decisions.

- 25.14 Each Committee appoints a Secretary from among its members who is responsible, with the assistance of the Company's administrative services and under the authority of the Committee Chairman if he or she is not the Secretary, for writing up the minutes of each Committee meeting.

The minutes are sent to all the Committee members.

- 25.15 Each Committee issues proposals, recommendations and opinions in its area of expertise.

As such, each Committee may offer its services to the Board of Directors for the purpose of conducting internal or external studies that may provide the Board with helpful information for its decisions. The costs related to such studies are covered by the Company.

Each Committee can also call on one or more members of Executive Management, particularly the Chief Executive Officer or the Deputy Chief Executive Officer(s) (if any).

At each Board meeting, the Chairman of each Committee – or any other Committee member designated if the Chairman is unable to do so – reports to the Board on the Committee's work.

- 25.16 Each Committee decides on its other operating procedures where necessary.

On a regular basis, each Committee reviews the appropriateness of its rules and operating procedures for assisting the Board of Directors in validly deliberating on the matters within its area of expertise.

AUDIT AND RISK COMMITTEE

ARTICLE 26 – ROLES AND RESPONSIBILITIES OF THE AUDIT AND RISK COMMITTEE

- 26.1 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 reporting process and the sustainability reporting process, as well as the process implemented to determine the information to be disclosed in accordance with sustainability reporting standards and, as the case may be, issues any recommendations required to guarantee the integrity of the above-mentioned 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;
- reviewing the financial documents issued by the Company 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 operations proposed by the Chief Executive Officer, such as:
 - capital increases,
 - equity investments, and
 - acquisitions or divestments,
 and submitted to the Board of Directors, some for prior approval;
- 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 i) of the methods and procedures used for reporting purposes and for adjusting accounting information from the Group's foreign companies and ii) of the sustainability information.

26.2 The Audit and Risk Committee is also responsible for verifying the effectiveness of the Company's internal audit and risk management systems, and, where applicable, of the internal audit, with respect to procedures relating to the preparation and treatment of accounting, financial and sustainability information, including in digital form, without compromising 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 extra-financial risks arising in the Group's businesses;
- reviewing and managing the rules and procedures applicable to conflicts of interest; and
- reviewing the draft management report on the internal control and risk management procedures.

26.3 Lastly, the Audit and Risk Committee is also responsible for reviewing the effectiveness of the Company's external audits and monitoring the work of the Statutory Auditors in relation to their audit and certification assignments, including sustainability information.

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 re-appointment by shareholders at the Annual General Meeting;
- ensuring compliance by the Statutory Auditors with the independence criteria required for the Auditors involved in the audit of the financial statements and of sustainability information, drawing on information exchanges and substantiations provided by the Auditors for this purpose;
- reviewing the fees paid to the Company's 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;
- hearing the presentation of the Statutory Auditors and reporting to the Board of Directors on (i) the findings of their audit of the financial statements, (ii) the findings of their audit of the sustainability information and (iii) how their audit contributed to the integrity of the Company's financial information and sustainability information. The Committee reports to the Board of Directors on the role that the Committee played in overseeing this process, notably based on the additional report that is prepared by the Statutory Auditors on an annual basis. The Committee immediately informs the Board of any difficulties that it may encounter.

26.4 The Audit and Risk Committee reports to the Board of Directors on a regular basis on its work and immediately informs the Board of any difficulties that it may encounter. These reports are added to the minutes of the relevant Board of Directors' meetings or are included in an appendix to these minutes.

ARTICLE 27 – RESOURCES MADE AVAILABLE TO THE AUDIT AND RISK COMMITTEE

- 27.1 In accordance with the applicable laws and regulations and the provisions of the bylaws and these Internal Rules, the Audit and Risk Committee, in general, and each of its members, in particular, may request any information that they deem relevant, useful or necessary for the performance of their duties.
- 27.2 In accordance with the applicable laws and regulations and the provisions of these Internal Rules, the Audit and Risk Committee may request a meeting with the Statutory Auditors or the Company's stakeholders, including the members of Executive Management and in particular the Chief Financial Officer. These meetings can take place, where applicable, without any members of Executive Management being present.
- 27.3 In accordance with the applicable laws and regulations, the Audit and Risk Committee can, where it deems necessary, initiate an independent investigation.
- 27.4 In general, the Audit and Risk Committee will be notified by Executive Management and the Statutory Auditors of any event that may expose the Company, the Group or one of the Group companies to a significant risk.

The classification of such risk as “material” is decided under the sole responsibility of Executive Management or the Statutory Auditors.

ARTICLE 28 – MEMBERSHIP STRUCTURE OF THE AUDIT AND RISK COMMITTEE

- 28.1 The Audit and Risk Committee has at least three members, including its Chairman. These members are selected from among the Directors, other than the Chairman of the Board of Directors, who do not have management duties with the Company.
- 28.2 Two-thirds of the members of the Audit and Risk Committee, including its Chairman, must be independent Directors in accordance with the criteria defined in Article 2.4 above. When calculating the percentage of independent Directors, neither the Directors representing employee shareholders nor the Directors representing employees are taken into account.

In addition, at least one of the independent members of the Audit and Risk Committee must have specific skills in finance, accounting or certified public accounting, according to the following criteria:

- a diploma certifying at least five years of study in finance or accounting; or
- experience:
 - of at least five years within Executive Management or the Finance Department of a listed company, or
 - of at least five years in an audit firm.

ARTICLE 29 – OPERATING PROCEDURES OF THE AUDIT AND RISK COMMITTEE

- 29.1 The Audit and Risk Committee meets at least four times a year.
- 29.2 A meeting schedule for the Audit and Risk Committee is set by the Board of Directors, without prejudice to the provisions of these Internal Rules relating to notices of Committee meetings.
- 29.3 In any event, the members of the Board of Directors are informed of notices of Audit and Risk Committee meetings.

APPOINTMENTS AND COMPENSATION COMMITTEE

ARTICLE 30 – ROLES AND RESPONSIBILITIES OF THE APPOINTMENTS AND COMPENSATION COMMITTEE

Appointments:

- 30.1 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 the Deputy Chief Executive Officer(s) (if any);
 - 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 and Vice-Chairman of the Board of Directors, Chief Executive Officer and any Deputy Chief Executive Officer(s);
- helping the Board of Directors prepare succession plans for the Group's key operations managers and support function managers;
- recommending the appointment or re-appointment of a Lead Independent Director, if there is no Vice-Chairman.

Compensation:

30.2 The Appointments and Compensation Committee is also responsible for making recommendations and proposals to the Board of Directors about compensation for which the Board members may be eligible, such as:

- the allocation of Directors' compensation;
- any other components of compensation, including the terms and conditions of any benefits payable at the end of their term of office;
- any compensation for 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.

30.3 More generally, the Appointments and Compensation Committee is also responsible for making recommendations to the Board of Directors relating to:

- the compensation policy for senior managers; and
- incentives for the employees of the Company and other Group companies, including:
 - employee savings plans,
 - supplementary pension plans,
 - employee rights issues,
 - stock option grants, and
 - free share grants.

In particular, the Appointments and Compensation Committee is also responsible for making recommendations to the Board of Directors on any criteria to be applied to the annual variable compensation of the executive officers and on performance criteria to be applied for the granting or the exercise of stock option and/or free share plans. It ensures that several criteria linked to social and environmental responsibility are integrated, including at least one criterion linked to the Company's climate objectives.

ARTICLE 31 – RESOURCES MADE AVAILABLE TO THE APPOINTMENTS AND COMPENSATION COMMITTEE

In order to carry out its duties, the Appointments and Compensation Committee may utilize all the resources placed at its disposal pursuant to these Internal Rules.

ARTICLE 32 – MEMBERSHIP STRUCTURE OF THE APPOINTMENTS AND COMPENSATION COMMITTEE

- 32.1 The Appointments and Compensation Committee has at least three members, including its Chairman.
- 32.2 The Chairman of the Board of Directors and, in the event that the role of Chief Executive Officer is exercised by a Director other than the Chairman, the Chief Executive Officer may not be members of the Appointments and Compensation Committee.
- 32.3 The majority of the members of the Appointments and Compensation Committee, including its Chairman, must be independent Directors in accordance with the criteria defined in Article 2.4 above.

ARTICLE 33 – OPERATING PROCEDURES OF THE APPOINTMENTS AND COMPENSATION COMMITTEE

The operating procedures of the Appointments and Compensation Committee are governed by the applicable laws and regulations and the provisions of the bylaws and these Internal Rules.

INNOVATION, TECHNOLOGY & CLIMATE COMMITTEE

ARTICLE 34 – ROLES AND RESPONSIBILITIES OF THE INNOVATION, TECHNOLOGY & CLIMATE COMMITTEE

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;
- the climate plan – Executive Management’s climate action plan and the related information intended for publication by the Company and for presentation to the Annual General Meeting.

ARTICLE 35 – RESOURCES MADE AVAILABLE TO THE INNOVATION, TECHNOLOGY & CLIMATE COMMITTEE

In order to carry out its duties, the Innovation, Technology & Climate Committee may utilize all the resources placed at its disposal pursuant to these Internal Rules.

ARTICLE 36 – MEMBERSHIP STRUCTURE OF THE INNOVATION, TECHNOLOGY & CLIMATE COMMITTEE

The Innovation, Technology & Climate Committee has at least three members, including its Chairman.

ARTICLE 37 – OPERATING PROCEDURES OF THE INNOVATION, TECHNOLOGY & CLIMATE COMMITTEE

The operating procedures of the Innovation, Technology & Climate Committee are governed by the provisions of the bylaws and these Internal Rules.

LEAD INDEPENDENT DIRECTOR

ARTICLE 38 – LEAD INDEPENDENT DIRECTOR

- 38.1 In particular if there is no Vice-Chairman, the Board of Directors may appoint, from among the Directors who qualify as independent and who are members of the Appointments and Compensation Committee (both individuals and permanent representatives of legal entities), a Lead Independent Director.
- 38.2 The Lead Independent Director is appointed for a term not exceeding his or her term as a Director. He or she may be re-appointed. The role of the Lead Independent Director may be terminated at any time by decision of the Board of Directors.
- 38.3 The Lead Independent Director has the following powers and responsibilities:
- The Chairman of the Board of Directors consults with him or her about the agenda and schedule for Board meetings. He or she may put forward to the Chairman additional specific items for inclusion in the agenda for a Board meeting or call an unscheduled Board meeting to discuss a particular matter that is sufficiently significant or urgent to justify such an extraordinary meeting being held. The Chairman may not reject or postpone such requests without just cause.
 - In his or her capacity as both Lead Independent Director and a member of the Appointments and Compensation Committee, he or 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 of Directors, and (iv) discussions regarding governance matters (operating procedures of the Board and its Committees, balanced membership structure, changes to and application of governance rules) and communication thereon. On all these matters, he or she can make any proposals and suggestions that he or she deems necessary to the Board of Directors.
 - He or she leads the Board of Directors' discussions about the succession plan for the Chairman and any appraisals of his or her performance or reviews of his or her compensation. Such discussions take place without the Chairman being present.
 - Where necessary or useful, either at his or her own initiative or at the request of the Chairman of the Board, he or 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. He or she keeps the Chairman and the Board of Directors informed of any correspondence or exchanges that he or she may have in this regard.
 - He or she brings any potential conflicts of interest that he or she may identify to the attention of the Chairman and examines such situations with him or her. As necessary, he or she helps to prevent conflicts of interest among the Directors and raises their awareness.
 - If the Chairman is temporarily unable to perform his or her duties or in the event of his or her death, and if there is no Vice-Chairman, 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 or she is once again able to perform his or her 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.

38.4 The Lead Independent Director does not receive any specific additional compensation.

DIRECTOR RESPONSIBLE FOR MONITORING CLIMATE ISSUES

ARTICLE 39 – DIRECTOR RESPONSIBLE FOR MONITORING CLIMATE ISSUES

- 39.1 The Board of Directors may appoint, from among the Directors who qualify as independent and who are members of the Innovation, Technology & Climate Committee (both individuals and permanent representatives of legal entities), a Director responsible for monitoring climate issues related to the Safran Group's operations.
- 39.2 The Director responsible for monitoring climate issues is appointed for a term not exceeding his or her term as a Director. He or she may be re-appointed. The role of the Director responsible for monitoring climate issues may be terminated at any time by decision of the Board of Directors.
- 39.3 The Director responsible for monitoring climate issues has the following tasks:
- He or she takes the lead in ensuring follow-up of the climate action plan by the Innovation, Technology & Climate Committee. Within this scope, he or she and this Committee are involved in monitoring and overseeing the 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.
 - He or she is informed of questions from the shareholders on matters falling within the scope of his or her role and, where necessary, makes him or herself available to discuss those matters with them, in conjunction with the Chairman of the Board of Directors.
 - He or she may be assigned other specific duties related to his or her role by the Chairman of the Board of Directors.
 - He or she may put forward to the Chairman of the Board of Directors additional items related to his or her role for inclusion in the agenda for Board of Directors' meetings.
 - In conjunction with Executive Management, he or she 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.
- 39.4 The Director responsible for monitoring climate issues does not receive any specific additional compensation.
- 39.5 The Director responsible for monitoring climate issues performs his or her duties under the responsibility of the Board of Directors. He or she has no decision-making power and the opinions, proposals and recommendations that he or she submits to the Board of Directors are in no way binding on the Board of Directors.

CHAPTER VI
ADAPTATION OF AND AMENDMENTS TO THE INTERNAL RULES

ARTICLE 40 – ADAPTATION OF AND AMENDMENT TO THE INTERNAL RULES

These Internal Rules may be adapted and amended by a decision of the Board of Directors taken by a simple majority of the Directors present or represented at the Board of Directors' meeting, it nevertheless being specified that (i) the provisions of these Internal Rules that replicate certain provisions of the Company's bylaws may only be amended if the corresponding provisions of the bylaws have previously been amended by the Extraordinary Shareholders' Meeting, and (ii) at least one Director representing the French State must vote in favor of any amendment to the provisions of Article 4.5 if the French State owns more than 10% of the Company's share capital.