

## ANNUAL GENERAL MEETING OF MAY 23, 2024

### ANSWERS TO WRITTEN QUESTIONS FROM A SHAREHOLDER

Questions submitted by DWS Investment GmbH
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In accordance with Article R.225-84 of the French Commercial Code (*Code de commerce*), shareholders were able to submit written questions to the Company until midnight on Friday, May 17, 2024.

These written questions, and the answers to them, are set out below.

#### INDEPENDENCE OF REMUNERATION COMMITTEE

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Qualified, experienced and independent directors are essential for competent and efficient decision making processes at the committee level. Having at least 50% independent members serving on the remuneration committees as well as independent committee chairperson is important for us to ensure challenging discussions.

We appreciate the work of Ms Monique Cohen, however, given that her tenure with the company has exceeded 10 years, it contradicts our DWS Corporate Governance and Proxy Voting Policy with respect to director independence. As a result, the chairperson of remuneration committee is not considered independent.

**QUESTION 1: Will you consider appointing an independent director as the chairperson of the remuneration committee in the near future?**

As a French listed company, and in accordance with French law, Safran uses as its corporate governance framework the Corporate Governance Code of Listed Corporations (the Afep-Medef Code or hereinafter the "Governance Reference Code").

In its approach, Safran applies the highest standards of governance but cannot consider the internal policies of all its shareholders, especially when these policies are more restrictive than its Governance Reference code.

Pursuant to this Governance Reference Code, one of the nine criteria relating to independent status is that a Director must not have been a member of Safran's Board of Directors' for over 12 years. Loss of the independent director status occurs on the date that this 12 year threshold is reached. For more information, please refer to section 6.2.4.1 of the 2023 Universal Registration Document, pages 397 to 399.

As every year, Monique Cohen's situation has been reviewed under the independence review process conducted by the Board of Directors. **To date, the Board of Directors considers there is no concern regarding Monique Cohen's situation with regard to its nine independence criteria and continues to consider her to be an independent Chair of the Appointments and Compensation Committee.**

Regarding the duration of her term of office, having been appointed for the first time in May 2013 and reappointed twice (in May 2018 for a four-year mandate and in May 2022 for another four-year mandate), Monique Cohen will effectively exceed the 12-year term of office before the end of her current mandate expiring at the 2026 Annual General Meeting. This means, under our Governance Reference

Code, she will no longer meet one of the nine abovementioned criteria and will lose her independent status in May 2025.

To ensure total transparency and the highest standards of corporate governance, Safran has also previously stated that: *“As Monique Cohen first joined the Board of Directors in 2013, if her term of office is renewed at the May 25, 2022 Annual General Meeting, on May 28, 2025 – i.e., one year before the expiry of her new term of office at the close of the 2026 Annual General Meeting – she will no longer meet the independence criterion in the AFEP-MEDEF Corporate Governance Code relating to the duration of Directors’ terms of office (maximum of 12 years). In response to this situation, Monique Cohen has already stated that, by May 28, 2025, she will resign as Lead Independent Director and as Chair of the Appointments and Compensation Committee and, if so requested by the Board, as a Director.”<sup>1</sup>*

Regarding the future Chair of the Appointments and Compensation Committee, the Board of Directors will decide in due course and make this information public when the decision is taken.

## **ROTATION OF EXTERNAL AUDITORS**

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We place high value on the quality and independence of auditors. A strong degree of transparency regarding the audit fees, the proportionality and limitations on audit and non-audit fees, the tenure of the audit firm and the lead audit partner is key for DWS to assess whether ratifications for audit firms are deemed responsibly. We regard regular rotation of both the audit firm (after ten years at the latest) and the lead audit partner (after five years at the latest) as a reasonable measure to ensure reliable, independent and critical evaluation of a firm’s accounts.

We observe that both the audit firms (Ernst & Young and Mazars) have been associated with the company for over 10 years.

### **QUESTION 2: When can we expect a rotation of the audit firms?**

European Regulation 2014/56/EU on statutory audits of annual financial statements and consolidated financial statements has reformed the rules applicable to the statutory audit profession, and in particular has strengthened independence provisions. This regulation was transposed into French law by a government order dated March 17, 2016 and has been applicable from June 17, 2016 to public interest entities (PIE). As a publicly traded company listed on a regulated market in the European Union, Safran is deemed to be a PIE.

This regulation stipulates that for joint audits, rotation is only mandatory after 24 years.

As a reminder, Mazars was first appointed in 2008 and Ernst & Young in 2010. Mazars will have to terminate its mandate by the 2028 Annual General Meeting at the latest and Ernst & Young by the 2032 Annual General Meeting at the latest.

Moreover, every six years, the Audit and Risk Committee oversees the Statutory Auditors selection procedure to re-appoint the incumbent Statutory Auditors or to issue a call for tenders.

As a reminder, audit partners may not act as signing partner for the Company's financial statements for more than six consecutive years. They may not again take part in a statutory audit of the Company until three years have elapsed following the end of the sixth financial year in which they acted as signing partner.

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<sup>1</sup> Notice of Meeting – May 2022 – page 18

The Audit and Risk Committee issues a recommendation on the Statutory Auditors to be put forward for appointment or re-appointment by shareholders at the Annual General Meeting.

**QUESTION 3: How do you evaluate and ensure the objectivity and independence of the lead audit partner and the audit firms?**

The auditors provide the Audit and Risk Committee with a declaration under Article 6 of Regulation (EU) No. 537-2014, confirming their 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, they discuss any potential risks regarding their independence and the related safeguard measures with the Audit and Risk Committee.

The Audit and Risk Committee regularly ensures that the Statutory Auditors respect the independence criteria required of auditors certifying financial statements and sustainability disclosures, based on discussions, information and evidence provided by the Statutory Auditors.

The engagements entrusted to the Statutory Auditors are subject to specific procedures (GRP-0193 and GRM-0130). "Services other than certification of accounts" engagements are subject to specific prior approval from Group management and the Audit and Risk Committee. These approval requests are applicable to services performed on behalf of any company controlled by the Group. Engagements may not be implemented without pre-approval.

Fees for other services represent 10% of the audit fees (see Note 36 to the financial statements, page 212 of the 2023 URD).

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**NET ZERO**

Corporations and investors play a vital role in addressing the impacts of global warming by reducing their emissions. In this regard, we support the Climate Action 100+ and the Net Zero Asset Managers initiatives enhancing governance of climate change risk, opportunities, curbing emissions and strengthening climate-related financial disclosures.

We observe that there is still room for improvement in disclosing your greenhouse gas (GHG) emissions based on scope 1 & scope 2 individually. This will help stakeholders to understand your environmental impact better.

**QUESTION 4: Can we expect you to disclose scope 1 and scope 2 emissions separately going forward alongwith retrospective disclosure?**

Safran has disclosed Scope 1 and Scope 2 emissions separately in its URD since 2018. In the 2023 URD, this information can be found on pages 288 and 296.

Policies and procedures	Indicators	2018	2021	2022	2023	Year-on-year change
	Emissions in metric tons of CO <sub>2</sub> equivalent:					
	Scope 1 <sup>(1)(2)</sup> [AR]	219,790	177,317	177,299 <sup>(3)</sup>	167,774 <sup>(5)</sup>	-5%
	Scope 2 (location based) <sup>(1)</sup> [AR]	383,186	244,466	264,420 <sup>(3)</sup>	269,279 <sup>(5)</sup>	2%
	■ Scope 2 (market based) <sup>(1)(4)</sup> [AR]	358,887	225,796	226,431 <sup>(3)</sup>	213,199 <sup>(5)</sup>	-6%
	■ Scope 3 <sup>(1)</sup> :					
Strategy and action plan to combat climate change (see section 5.3)	● product use	113,800,000 <sup>(5)</sup>	52,300,000 <sup>(5)(9)</sup>	56,100,000 <sup>(10)</sup>	61,800,000 <sup>(9)(10)</sup>	10%
	● purchased goods and services;	4,961,000	2,735,000	4,392,000	5,780,000 <sup>(7)</sup>	32%
	● freight	264,700	183,200	267,400	272,700 <sup>(7)(8)</sup>	2%
	● business travel	68,450	16,100 <sup>(11)</sup>	28,100 <sup>(11)</sup>	38,780 <sup>(9)</sup>	38%
	● employee commuting <sup>(10)</sup> ;	118,600	97,100	103,600	111,600	8%
	● Upstream emissions related to energy consumption	118,591	89,785	97,500	103,705	6%
	● Emissions related to waste treatment	21,000	14,200	14,700	17,345	18%

(1) Indicator definitions and methodologies are described in section 5.7.5.

(2) Direct emissions from biogas are included in the Scope 1 calculation.

(3) 2022 emissions figures, which included estimated data for fourth-quarter 2022, were revised in 2023 to reflect the actual data.

(4) Scope 2 market-based values were reported for the first time in the 2021 Universal Registration Document and have been fine-tuned in this document, notably to take into account the emission factors of Safran's suppliers.

(5) In 2023, Safran Cabin's non-propulsion catering and freight activities were sold. On average, they represented less than 1% of Scope 1 and 2 emissions over the 2018-2022 period.

(6) In 2023, Safran Cabin's non-propulsion catering and freight activities were sold. They generated indirect emissions representing an average of 4.86% of Scope 3 emissions from product use over the 2018-2022 period.

(7) The increase in emissions is partly attributable to the resumption of operations. The increase resulting from purchases of goods and services and freight is also partly attributable to inflation, as greenhouse gas emissions are primarily measured based on monetary emission factors.

(8) In 2023, freight emissions were assessed for the first time using a hybrid method, as described in section 5.7.5.

(9) Emissions remained contained in 2023, despite the resumption of business travel.

(10) In 2021 and 2022, and to a lesser extent in 2023, Scope 3 (product use) was impacted by the decline in deliveries in the wake of the Covid-19 epidemic.

(11) Emissions related to business travel were down significantly in 2021 and 2022, also due to the Covid-19 epidemic.

Gross Scope 1 and 2 GHG emissions <sup>(1)</sup>	2018	2021 <sup>(8)</sup>	2022 <sup>(2)</sup>	2023 <sup>(3)</sup>
Scope 1 direct emissions <sup>(4)</sup> (t CO <sub>2</sub> eq.)	219,790	177,317	174,755	167,774
Scope 2 energy-related indirect emissions, location-based method <sup>(4)</sup> (t CO <sub>2</sub> eq.)	358,887	225,796	230,909	213,199
Change in Scope 1 and 2 emissions compared with 2018, market-based method	-	-30.3%	-30%	-34%
<b>Total Scope 1 and 2 emissions, market-based method (t CO<sub>2</sub>eq.)</b>	<b>578,675</b>	<b>403,113</b>	<b>405,664</b>	<b>380,973</b>
Scope 1 biogenic direct emissions <sup>(6)</sup> (t CO <sub>2</sub> eq.)	N/A <sup>(5)</sup>	N/A <sup>(5)</sup>	N/A <sup>(5)</sup>	N/A <sup>(5)</sup>
Scope 2 energy-related indirect emissions, location-based method <sup>(7)</sup> (t CO <sub>2</sub> eq.)	383,186	244,466	262,243	269,279

(1) All GHG emissions reported in this document are presented on a "gross" basis, in accordance with the GHG Protocol, without taking into account the deduction of CO<sub>2</sub> allowances under the European Union Emissions Trading Scheme or any other carbon offsetting measures.

(2) 2022 emissions figures, which included estimated data for fourth-quarter 2022, were revised in 2023 to reflect the actual data.

(3) In 2023, Safran Cabin's non-propulsion catering and freight activities were sold. On average, they represented less than 1% of Scope 1 and 2 emissions over the 2018-2022 period.

(4) Scope 2 market-based values were reported for the first time in the 2021 Universal Registration Document and have been fine-tuned in this document, notably to take into account the emission factors of Safran's suppliers.

(5) Data not available.

(6) Biogenic carbon is the carbon contained in biomass and organic matter in soil, as opposed to carbon of fossil origin (coal, natural gas, oil).

(7) Direct emissions from biogas are included in the Scope 1 calculation.

(8) Scope 1 and 2 GHG emissions were significantly reduced due to the Covid-19 health crisis.

**QUESTION 5: Can we expect you to adopt global reporting standards such as GRI (Global Reporting Initiative) or Task Force on Climate-Related Financial Disclosures for enhanced disclosures relating to climate change?**

Safran updated the materiality matrix plotting its non-financial challenges in 2020. The 2020 matrix was based on the Group’s risk mapping, studies on the challenges facing the aerospace industry, and an in-depth analysis of reference frameworks such as the UN Sustainable Development Goals (SDGs), non-financial reporting requirements and recommendations, and international frameworks such as the Sustainability Accounting Standards Board (SASB), the TaskForce on Climate-Related Financial Disclosures (TCFD) and the Global Reporting Initiative (GRI).

Safran follows the recommendations of the Task Force on Climate-Related Financial Disclosures in its climate reporting as illustrated by the cross-reference table with the TCFD principles on page 303 of the 2023 URD.

Cross-reference table with the TCFD principles

TCFD principles	Sections
<b>1. Governance</b>	
1.1 Describe the Board's oversight of climate-related risks and opportunities	5.2, 5.3.1, 6.3.3
1.2 Describe management's role in assessing and managing climate-related risks and opportunities	5.3.2
<b>2. Strategy</b>	
2.1 Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	5.2, 4.3.3.1
2.2 Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	4.3.3.1
2.3 Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	5.3.3
<b>3. Risk management</b>	
3.1 Describe the organization's processes for identifying and assessing climate-related risks	4.3.3.1, 5.2
3.2 Describe the company's processes for managing climate-related risks	4.3.3.1, 5.2
3.3 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	4.3.3.1, 5.2
<b>4. Metrics and targets</b>	
4.1 Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	5.3.3
4.2 Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks	5.3.3
4.3 Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	5.3.3

According to your 2023 Integrated Report, while your 2025 and 2030 greenhouse gas emissions target are validated by Science based Target initiative (SBTi), there is a lack of clarity with respect to your long-term targets and their validation by an independent third party.

**QUESTION 6: When can we expect Safran to set a roadmap and disclose long-term net zero targets to completely reduce its GHG emissions (including scope 3) in line with the International Civil Aviation Organization (ICAO)?**

Safran has only set near-term targets for Scope 1 and 2 emissions by 2030 as well as Scope 3 emissions related to the use of sold products by 2035. We have committed to be net zero by 2050.

**QUESTION 7: Can we expect you to obtain validation your long-term net zero target by an independent third agency like you have done for your 2030 targets?**

As of today, Safran has certification by a third party (SBTi) for its targets to 2035.