

SAFRAN, AN INTERNATIONAL ENTERPRISE WITH EUROPEAN ROOTS

SAFRAN IN EUROPE

42,800
EMPLOYEES



74%
OF THE CONSOLIDATED
WORKFORCE



100+
OFFICES
AND FACILITIES



70%
OF SAFRAN
PURCHASES IN THE EU



43%
OF OUR
CONSOLIDATED
SALES



97%
OF OUR TOTAL R&D
EXPENDITURES



AEROSPACE AND DEFENSE ARE RESOLUTELY INTERNATIONAL MARKETS. AT SAFRAN, WE DEPLOY AN EQUALLY GLOBAL INDUSTRIAL ORGANIZATION TO ENSURE LOCAL SUPPORT FOR ALL OF OUR CUSTOMERS, TO EXTEND OUR REACH AND TO ENSURE OUR COMPETITIVENESS. WE ARE DEEPLY ANCHORED IN OUR HOMELAND, EUROPE, WHICH ACCOUNTS FOR MORE THAN TWO-THIRDS OF ALL EMPLOYEES. THE STRATEGIC CORE OF OUR R&D AND PRODUCTION OPERATIONS IS BASED IN EUROPE, DRIVEN BY HEFTY CAPITAL INVESTMENTS AND AN EXTENSIVE SUPPLY CHAIN, LARGELY LOCATED IN THIS REGION.

SAFRAN WORLDWIDE

Safran is a leading international high-technology group and tier-1 supplier of systems and equipment for aerospace and defense. Through our global presence, we not only enhance the competitiveness of our European base, but also build industrial and commercial relations with the world's leading prime contractors and operators, while providing fast, local service to all customers. Working alone or in partnership, Safran holds world or European leadership positions in our core markets.

NEARLY
58,000
EMPLOYEES



IN NEARLY
30 COUNTRIES



€ 15.8 BILLION
IN SALES IN 2016



NEARLY
11% OF SALES
INVESTED IN R&D



No. 1 WORLDWIDE
AEROSPACE

- Single-aisle commercial jet engines (in partnership with GE)
- Helicopter turbine engines
- Landing gear
- Wheels and carbon brakes⁽¹⁾
- Aircraft wiring
- Commercial launches into geostationary orbit, via ArianeGroup (a 50/50 joint company between Airbus Group and Safran)

No. 1 IN EUROPE
DEFENSE

- Tactical drones
- Optronic (electro-optical) systems
- Inertial navigation systems



For further information
go to our website
www.safran-group.com/fr

⁽¹⁾ Mainline commercial jets with over 100 seats.

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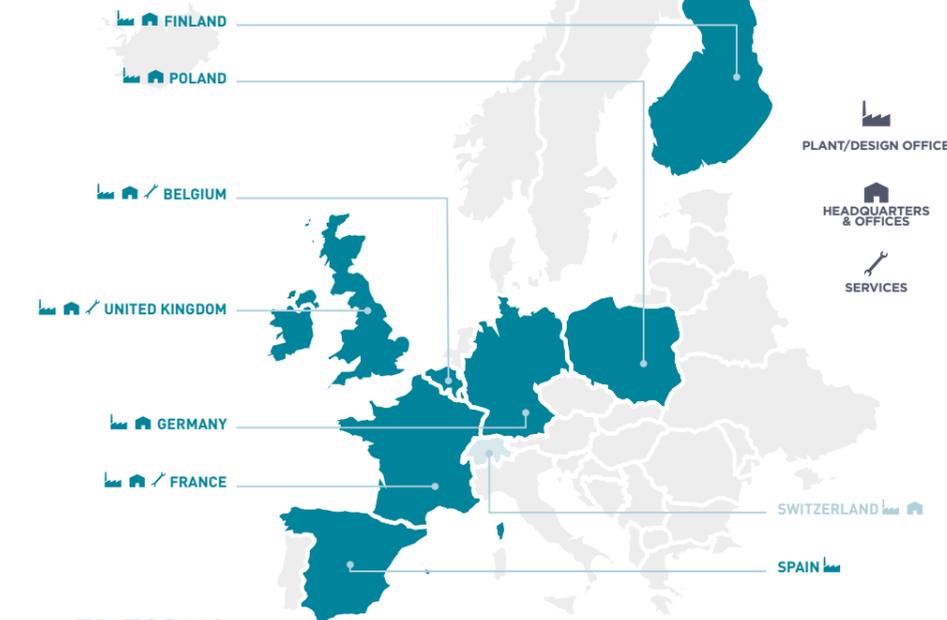


SAFRAN IN EUROPE
European technologies,
world-class performance

2017



A STRONG EUROPEAN FOOTPRINT



EDITORIAL

With 42,800 employees in Europe, Safran is a leader in the aerospace and defense industries. Innovation is an integral part of our DNA, as reflected in Safran's participation in over 90 major European research projects. At the same time, our aircraft engines play an essential role in improving the environmental performance of the latest single-aisle commercial jets.

Some 75% of Safran's suppliers are based in the European Union, where we set the standard in corporate social responsibility. Building on this competitive base, Safran has carved out leadership positions in international aviation markets, and supports Europe's strategic independence in space.

Stéphane Abrial
Senior Executive Vice President,
International and Public Affairs



TECHNOLOGIES THAT ENHANCE LIFE IN EUROPE



AVIATION

→ An airplane **powered by engines from CFM International⁽¹⁾** takes off somewhere in the world every 2 seconds! In 2016, the CFM56[®] passed the milestone of 30,000 engines delivered, and its successor, the LEAP[®], had logged more than 11,500 orders and commitments at December 31st.

→ **23,000 Safran jet engines** are now in service around the world, including nearly 5,200 in the European Union.

→ Systems and equipment from Safran companies - landing gear, engine nacelles and power transmissions, wiring, etc. - are used on **all major civil aircraft introduced in the last decade.**



DEFENSE

→ The French army signed a contract with Safran in 2016 to acquire **14 Patroller™ tactical drones.**

→ More than 6,000 **JIM multifunction infrared binoculars** from Safran are deployed by European armed forces.

→ Nearly 20,000 **FELIN** soldier modernization systems from Safran have been delivered to the French army and are deployed in the country or in foreign operations.

→ Safran is a leading contributor to the **Airbus A400M transport** (TP400 turboprop engine⁽¹⁾, FADEC engine control unit, landing gear, wiring, navigation system) and the **Tiger helicopter** (MTR390 turboshaft engine⁽²⁾, landing system, infrared sights, mission planning system).

→ In 2016, the European Commission launched a **defense action plan** including an R&T section (with Safran's participation) and a procurement section.

(1) Through the European consortium Europrop International, comprising Industria de Turbo Propulsores, MTU Aero Engines, Rolls-Royce and Safran Aircraft Engines.
(2) Developed through a joint program by MTU Aero Engines, Rolls-Royce, ITP and Safran Helicopter Engines.



SPACE

→ Safran has been a **major contributor to Europe's Ariane and Vega launcher families for 40 years.** ArianeGroup, a 50/50 joint company between Airbus Group and Safran, has ensured the competitiveness of the European space industry since 2015, with the upcoming Ariane 6 launcher playing a pivotal role.

→ Safran is the European leader in **plasma (electric) propulsion systems for satellites.** Our other satellite products include space optics, sensors, electronics, inertial and GNSS-based (Global Navigation Satellite Systems) navigation systems.

→ The European Commission published a **Space Strategy** report in 2016, reiterating the importance for Europe of guaranteeing independent access to space. This was an excellent opportunity to emphasize Safran's key role in this sector, which is important for Europe's economy and security.

A SOLID COMMITMENT TO EUROPE

R&D

→ Innovation, advanced technologies and technical partnerships are all an integral of Safran's strategy. In 2016 Safran invested nearly **11% of revenues in Research & Development**, with 65% of the total self-funded.

→ **Safran participated in over 20 projects** chosen for the Horizon 2020 framework program in 2016, including six as coordinator.

→ Safran is a founding member of the **Clean Sky and Clean Sky 2⁽¹⁾** eco-friendly aviation research programs. We direct a dozen Integrated Technology Demonstrators (ITD), including the Open Rotor and TECH-TP turboprop engine, along with design studies for innovative architectures that will help develop "more electric" aircraft.

→ Safran is ranked among the Top 100 Global Innovators by Thomson Reuters. We filed for more than **850 patents in France in 2016.**

(1) www.cleansky.eu

ENVIRONMENT

→ Safran is developing advanced engineering solutions to meet the **ambitious objectives** set by the Advisory Council for Aviation Research and Innovation in Europe (**ACARE**) to reduce the environmental impact of air transport.

→ Safran invests in all facilities worldwide, setting up state-of-the-art processes to comply with the **most stringent environmental standards.**

→ We are also heavily involved in the search for replacement substances to comply with the **European regulation REACH:** Registration, Evaluation, Authorization and restriction of Chemicals.

EMPLOYMENT

Safran has nearly 58,000 employees worldwide, including 42,800 in the European Union, or 74% of the total. In 2016 we recruited nearly 2,800 new employees from all horizons in Europe, with a focus on jobs in R&D, production and customer relations. Our European entities welcomed 5,200 interns, apprentices and student-researchers, and one out of every six employees in Europe mentored one of these young people during the year.

→ In 2015 Safran joined the **European Alliance for Apprenticeships.** Working with the European Commission, we pledge to bolster the quality and attractiveness of apprenticeships in our European companies, and also facilitate our apprentices' mobility.

→ In December 2016, Safran took part in the first **European Vocational Skills Week**, reflecting the importance of partnerships between industry and educational organizations, so that training programs are designed to meet emerging market and technology challenges.

CORPORATE SOCIAL RESPONSIBILITY

Safran has made **corporate social responsibility (CSR)** an integral part of our development strategy, with the aim of achieving exemplary corporate, social and environmental performance.

→ As a signatory of the **United Nations Global Compact**, Safran confirms our commitment to environmental protection and fair trade practices. We have earned an "Advanced" ranking (3 on a scale of 4) since 2015.