Human logo formed by 3,000 engineers and managers at Safran Discovery Day on June 6, 2012 in Paris, France.
and Tier-1 supplier of systems and equipment for aerospace, defense and security. Operating worldwide, Safran has 62,500 employees and generated sales of 13.6 billion euros in 2012. Through its global presence Safran not only enhances its competitiveness, but also builds industrial and commercial relations with the world’s leading prime contractors and operators, while providing local services to customers around the world. Working alone or in partnership, Safran holds world or European leadership positions in its core markets.
What would you say were the highlights of 2012, which was a particularly rich year for Safran?

It was indeed an exceptional year, financially speaking, with sales of 13.6 billion euros, up 15.5%, and net income of 999 million euros. From a commercial viewpoint, 2012 was also a record year. The LEAP engine has logged over 4,300 orders and commitments, meaning that we are assured of extending the success story of CFM International, our joint company with GE, for several decades. Meanwhile, the CFM56 keeps going from success to success. Our production and delivery rates set new records in 2012, which will guarantee growth in our service business for many years to come, and this is a source of recurring revenues.

Were trends as positive in all of the Group’s business sectors?

2012 was an excellent vintage in all of our markets. In particular, Safran’s engine, wheels and brakes were selected for Eurocopter’s new-generation X4 helicopter. Our new business jet engine, Silvercrest, was chosen by a second customer, Cessna, for their Citation Longitude. We recorded a number of business wins in the defense and security sectors as well, including a major order for JIM LR binoculars from the British Ministry of Defence, and a five-year general contract from the Transportation Security Administration for explosive detection system to be installed in American airports. Safran is now firmly established as a pivotal player in all of our business sectors.

Safran has come a long way indeed since the Group was created in 2005!

How do you view Safran today?

It’s true that Safran has changed quite a bit. Today, we are a more united group, capable of pooling everybody’s expertise to benefit all our companies. To give you an example; that’s the aim of the new Safran Composites research center which we started building this year.

We are also a more competitive group, in terms of both production and structural costs, thanks to the consolidation of our support functions. Lastly, we are a more solid group. From this standpoint, we passed major milestones in 2012, including the birth of Helisense, the acquisition of several technology start-ups and the creation of pivotal joint ventures in optronics and safety-critical on-board software and electronics. With the definitive agreement to acquire Goodrich Corporation’s electrical systems business, we will also take a major step forward in our development strategy for electrical technologies. We made significant progress in this area once again in 2012, in particular by continuing the development of an electric taxiing system with our partner Honeywell.

All of these developments make the future look very bright!

We are confident, but we also know that nothing should ever be taken for granted. The keys to our future growth include the continued modernization of our facilities to cope with the ramp-up in production rates and new technologies, an ongoing focus on R&D to pave the way for tomorrow’s successes, attracting new talents and training people so they can realize their full potential, and improving our competitiveness to gain market shares.

To make sure that our growth is sustainable, Safran works with our 62,500 employees to promote exemplary individual behavior in the professional environment. For Safran, industrial excellence also means ethical excellence!
Safran’s commitment to social responsibility draws on our values and ethical guidelines applied by all employees. To better meet our stakeholders’ expectations, we have formalized our corporate social responsibility (CSR) strategy and set up a dedicated CSR governance structure.

**OUR GOAL: EXEMPLARY PERFORMANCE**

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**NEW CSR GOVERNANCE**

Safran set up a new structure in 2012 to oversee our corporate social responsibility (CSR) approach, directed by Dominique-Jean Chertier, Deputy Chief Executive Officer, Corporate Office. We also appointed a coordinator to deploy and further CSR policy throughout our Group, in conjunction with the heads of the departments involved in implementing this initiative, operating through a steering committee.

**LONG-TERM COMMITMENTS**

Safran’s social responsibilities reflect the values underpinning our corporate culture: focus on our values and ethical guidelines applied by all our employees.

**TERMS OF ENGAGEMENT**

Underpinning our corporate social responsibility (CSR) approach is our commitment to social responsibility, directly managed by Dominique-Jean Chertier, Deputy Chief Executive Officer, Corporate Office. Our CSR strategy is governed by six strategic objectives.

**INTERVIEW**

DOMINIQUE-JEAN CHERTIER
DEPUTY CHIEF EXECUTIVE OFFICER, CORPORATE OFFICE

**ENSURING SUSTAINABLE, RESPONSIBLE GROWTH**

Is Safran’s commitment to CSR a recent phenomenon?

Not at all! Safran has long made CSR requirements part of our strategic objectives. Designing products with outstanding environmental performance, securing a wide variety of profiles to diversify our talent base, practicing zero tolerance for corruption – all of that and more is an indispensable part of our sustainable growth. However, we wanted to express this commitment more formally in 2012 to meet the expectations of our stakeholders.

Companies today are no longer judged solely on their economic performance or the quality of their products, but also on how ambitiously they set the objectives of their CSR policy. How did you do this?

We decided to use a collective approach, bringing together all the departments concerned, including human resources, international affairs, communications, sustainable development, purchasing, foundations and philanthropy, legal affairs, governance, audit and internal control, etc. Following an in-depth analysis that took us several months, we defined six strategic objectives. Each of these will be associated with an action plan, monitored by quarterly meetings of a steering committee, with members representing all of these departments.

What are the keys to success?

The first is that our CSR approach should be fully supported by corporate management. Secondly, it should be shared with all stakeholders, both internal – our 62,500 employees – and external, whether partners, customers or shareholders. In fact, that’s our aim with this business and corporate social responsibility report, which spotlights Safran’s commitments and contributions to this area.

**SAFRAN’S STRATEGIC OBJECTIVES**

Underpinning our CSR policy, Safran has defined six strategic objectives based on the general areas defined in the ISO 26000 standard, concerning corporate social responsibility:

- Develop innovative products and processes with minimal environmental impact.
- Always aim for excellence in ensuring the security and protection of people and goods.
- Develop people’s potential.
- Foster the involvement of suppliers and partners in this initiative.
- Sustain a culture of integrity.
- Guarantee optimum communications with all stakeholders.

Safran’s CSR approach covers all stakeholders, including business partners (aircraft manufacturers, airlines, shareholders, etc.), internal stakeholders (employees, unions), civil society (neighbors, associations, NGOs, media), observers (financial analysts, ratings agencies, auditors), public partners (federal and local governments, schools, laboratories).

**COMMITMENTS**

**RESPONSIBLE PERFORMANCE**

Safran is part of ASPI Eurozone®, an index that includes the 120 top-rated listed companies in the euro zone, based on sustainable performance rankings by Vigeo. The index evaluates six areas of corporate responsibility: environment, human rights, human resources, social engagement, behavior in markets, corporate governance.
FROM SUCCESS TO SUCCESS

Safran’s business is built on solid fundamentals: leadership positions in growth markets, a robust business model that includes the sale of equipment and services, providing a recurring income stream, long-term visibility backed by an order book equal to about four years of production.

Our contract wins in 2012 clearly illustrate Safran’s solid foundations and balance. Whether in aerospace, defense or security, Safran bolstered its competitive positions through new business wins, established on the basis of long-term mutual trust with our customers and partners.

No. 1 worldwide in jet engines* for mainline commercial jets (over 100 seats)
No. 1 worldwide in landing gear
No. 1 in Europe for optronic systems
No. 1 worldwide in biometric ID documents

* In partnership with GE.
At year-end 2012, Snecma (Safran) and GE had recorded more than 4,300 orders and commitments for the new LEAP engine, including 1,096 during the year. Designed for the next generation of single-aisle commercial jets, this engine is being developed in three different versions: LEAP-1A for the Airbus A320neo; LEAP-1B, the exclusive powerplant for the Boeing 737 MAX; and the LEAP-1C, the sole Western powerplant for the C919 being built by Chinese company Comac. The LEAP engine family is being developed by CFM International, a 50/50 joint company of Snecma and GE.
The French government and Turbomeca (Safran) have renewed for a period of ten years their contract providing for life-cycle support of the 1,408 turbine engines powering helicopters for French armed forces, civil security units and the defense procurement agency DGA. The contract covers a wide range of support services, including repair and overhaul of engines, on-site technical support, spare parts and maintenance training for users. To ensure maximum dispatch reliability of these helicopters, Turbomeca pledges to re-install any engine removed for servicing within ten days – and it has scored 100% on this point in recent years.
The electric green taxiing system (egts) developed by Safran and Honeywell is based on the use of electric motors in the main landing gear wheels, enabling the aircraft to move on the ground without using its jet engines. Following initial tests at the end of 2011, using an Airbus A320 flying testbed acquired by Safran, the program reached new milestones in 2012. EasyJet announced that it was participating in the development of the system, and a series of tests was performed on a Boeing 737 Next-Generation twinjet operated by German carrier TUIfly. The aim of these tests is to quantify the expected gains (operating costs, environmental benefits) and to size the system so that it optimizes operating conditions for airlines. Safran worked with several airlines to calculate the estimated gains, which show an average of 2% to 4% net reduction in aircraft fuel consumption.
In November 2012, French defense procurement agency DGA took delivery of the 10,170th FELIN system, an integrated equipment suite for soldier modernization programs, to outfit a tenth Infantry Regiment in the French army. Developed by Sagem (Safran) as prime contractor, the FELIN system represents a major advance in terms of protecting warfighters and increasing their operational efficiency, including observation, communications, mobility and support. According to the initial contract, covering more than 20,000 systems, ten other regiments will be equipped with FELIN systems by 2015, at a delivery rate of four regiments per year.
Morpho (Safran) is one of the suppliers chosen by the Indian government to carry out the first phase of the Aadhaar program, which involves the assignment of a unique identification number to some 300 million Indian citizens. Safran’s products and technologies are widely used in this large-scale program, in particular biometric terminals to scan fingerprints and irises, along with enrollment services and processing software. The 230 millionth ID number was issued in November 2012. The government also announced the start of the Direct Cash Transfer Initiative, so that Indian citizens can use their ID number to carry out banking transactions, receive social benefits, etc.

MORE THAN

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MORE 2012 HIGHLIGHTS...

CFM56, THE BEST SELLING AIRCRAFT ENGINE IN HISTORY
With more than 24,000 delivered, the CFM56 is the best-selling engine in the history of aviation. It continued to chalk up exceptional sales in 2012, with 898 firm orders for all versions. In particular, the CFM56-7B will power the Boeing Next-Generation 737, 777x twin-7s ordered by United Airlines (58), China Eastern (48), and Lion Air of Indonesia (26). The CFM56-5B was chosen by 11 airlines in 2012, and will power 63 Airbus A321 and A320s ordered by American Airlines and 20 Airbus A319s for the Russian airline UTair.

HERAKLES IS BORN
The merger of SME and Snecma Propulsion Solide was officialized on May 1, 2012, creating the company Herakles, a year after SME was acquired by Safran. Through this new entity, Safran becomes a world leader in solid rocket propulsion for missiles and launch vehicles.

MORPHO TO PRODUCE ID DOCUMENTS IN CHILE
Morpho (Safran) has signed a ten-year contract with the Chilean public registry service to produce electronic passports and ID cards as part of a new system to manage and issue the country’s ID and travel documents.

SAFRAN SYSTEMS CHOSEN FOR EUROCOPTER X4
Eurocopter has selected the new Arriano turboshaft engine by Turbomeca (Safran) and the electric brakes by Messier-Bugatti-Dowty (Safran) for its new-generation X4 helicopter. Safran (Safran) will provide the flight controls and some information systems for this helicopter in the 3 to 6-ton class.

SAFRAN SELECTED AGAIN FOR BRAZILIAN KC-390 MILITARY TRANSPORT
Brazilian plane-maker Embraer has chosen Safran (Safran) to supply the horizontal stabilizer trim system for its new military transport, the KC-390. In 2011, Safran had already been chosen as supplier of the primary and secondary electrical distribution systems, the backup generation system and the complete integration of the KC-390 electrical system, along with its wheels and brakes.

CONTINUED SUCCESS FOR WHEELS AND CARBON BRAKES
Messier Bugatti-Dowty (Safran) bolstered its position as the world’s leading supplier of aircraft wheels and carbon brakes, by signing 16 new contracts in 2012, especially for the Airbus A320, Boeing Next-Generation 737 and Boeing 787. It booked orders for wheels and brakes on more than 850 aircraft, up 23% in 2011.

MORPHOTRUST USA IS FOUNDED
US government agencies and companies now have a dedicated supplier of ID management solutions: MorphoTrust USA. This new company offers state-of-the-art technologies for biometrics (iris, fingerprint and facial recognition) and ID management (access control, secure ID documents and enrollment services).

FIRST PRODUCTION LANDING GEAR DELIVERED FOR AIRBUS A400M
Messier Bugatti-Dowty (Safran) delivered the first production-standard landing gear for the Airbus A400M at the end of January 2012. The company provides the complete landing system for this military transport, including wheels and carbon brakes.

CREATION OF AEROSPACE EMBEDDED SOLUTIONS
Sagem (Safran) and MTU Aero Engines have created the joint venture Aerospace Embedded Solutions GmbH (AeS), to develop their business in safety-critical software and hardware for military and civil aviation applications.

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BRITISH AND DANISH ARMED FORCES ORDER JIM LR BINOCULARS
Sagem (Safran) has won the Long Range Thermal Imager program contract from the British army, and another contract from the Danish Ministry of Defense, giving it a total of over 5,000 JIM LR binoculars now in service or under order.

FIRST VEGA LAUNCH A SUCCESS
Europe’s new Vega launcher, designed for small satellites, successfully carried out its first qualification flight on February 13, 2012. Herakles (Safran) and its subsidiaries provide a number of systems and equipment for this light launcher, including the ignition and separation systems, and nozzles subassemblies for the second and third stages. Exopulsion, our joint subsidiary with Avio, makes the solid rocket motor for the first stage.

SAGEM AND THALES CONSOLIDATE FRENCH OPTRONICS INDUSTRY
Sagem (Safran) and Thales have begun to group their infrared detector development and production activities within their joint subsidiary Sofradir, now a 50/50 company following their purchase of Areva’s 20% stake in January 2012. By boosting its expertise, Sofradir becomes part of the very select club of detector manufacturers that apply all infrared technologies. In July 2012, the two companies also created Optrolead, an equally-owned joint venture dedicated to new optroic programs for defense applications.

WIRING INSTALLED ON FIRST A350 XWB
In September, Labinal (Safran) teams installed the 50-meter long wiring harness on the first Airbus A350 XWB, to be used for flight testing. Labinal provides the wiring for all production aircraft.

A JOINT VENTURE DEDICATED TO SILICON CARBIDE
Nippon Carbon Company, Gil and Safran have created a joint venture for the production and sale of silicon carbide fibers, an essential part of ceramic matrix composites (CMC). The use of CMC should be increasingly widespread in tomorrow’s aircraft engines.

25-YEAR MAINTENANCE CONTRACT FOR BRITISH AIRWAYS A380 NACELLES
Rolls Royce and Aireville (Safran) have signed a 25-year contract to provide maintenance on the nacelles for the Trent 900 engines powering British Airways’ 12 Airbus A380s.

INDIA IN EXCLUSIVE NEGOTIATIONS FOR RAFALE
The GIE Rafale consortium has entered exclusive negotiations with the Indian government for the sale of 126 Rafale fighters. A number of Safran companies contribute to Rafale, from the Sncma M88 engine and Messier Bugatti Dowty landing gear to the Sagem inertial navigation system.

MORPHO DETECTION, FROM SUCCESS TO SUCCESS
In December 2012, Safran acquired GE’s remaining 17% stake in Morpho Detection, Inc. (MDI). This Morpho (Safran) subsidiary won major contracts in 2012, especially the Israeli Airports Authority’s selection of its CTX/XRD checked baggage inspection system, and a non-exclusive contract from the Transportation Security Administration (TSA) of the United States, worth up to 280 million dollars, for the supply of CTX 1800 explosive detection systems; along with an initial order for 37 systems to be installed at seven American airports.

MESSIER-BUGATTI-DOWTY WINS OVERHAUL CONTRACTS FOR AIRBUS AND BOEING LANDING GEAR
Messier-Bugatti-Dowty (Safran) has won a number of contracts for the general overhaul of landing gear on commercial aircraft deployed by different airlines, amounting to more than 240 landing gear shipments in all.

PARAFE E-GATES FOR CHARLES-DE-GAULLE AND MARSEILLE AIRPORTS
Morpho (Safran) has delivered six PARAFE e-gates to the Paris airports authority (ADP), which now has a total of 53 of these automated border control gates. In July, Marseille-Provence airport became the first French airport outside of Paris to deploy these e-gates.

ELECTRIC BRAKES ENTER SERVICE ON DREAMLINER
The first Boeing 787 Dreamliner with electric brakes by Messier Bugatti Dowty (Safran) entered service with Ethiopian Airlines in August 2012. Other airlines have also chosen these electric brakes for their 787, including Norwegian Air Shuttle, British Airways and Lufthansa Airlines.

INAUGURATION OF LABINAL’S NEW PLANT IN FRANCE
Labinal’s (Safran) new plant in Villeneuve-Tolosane was inaugurated in February 2012. Safran invested some 12 million euros in this new facility, which makes electrical wiring and cabinets for Airbus and Eurocopter aircraft, houses aftersales services for Airbus, and coordinates Labinal’s worldwide production.

INERTIAL SENSORS FOR CHARLES-DE-GAULLE AND MARSEILLE AIRPORTS
Morpho (Safran) has delivered inertial sensors to the Paris airports authority (ADP), which now has a total of 53 of these automated border control gates. In July, Marseille-Provence airport became the first French airport outside of Paris to deploy these e-gates.
INNOVATIVE PRODUCTS AND TECHNOLOGIES

The world demands a constant stream of increasingly innovative solutions to meet today’s economic, societal and environmental challenges. These challenges include the growing mobility of people and goods, the demand for increasingly efficient services, the advent of new threats, climate change, the scarcity of natural resources, and many more. Working with our suppliers and partners, Safran leverages an ongoing focus on innovation and competitiveness to deliver integrated solutions that address these multiple challenges.

- €1.6 billion R&D expenditures
- 21% of employees are involved in R&D
- 15% increase in patents filed in 3 years
- 750+ patent applications filed in 2012
CONTRIBUTING TO EFFICIENT, ENVIRONMENTALLY-FRIENDLY AIR TRANSPORT

As a major player in the global aviation industry, Safran takes a lead role in developing sustainable solutions that combine cost-effectiveness with environmental respect.

Innovate today to meet tomorrow’s challenges

Today’s aviation industry faces a two-pronged challenge: namely the increasing scarcity of fossil fuels and climate change. At Safran, our Research & Development efforts therefore focus on solutions that offer maximum energy efficiency and environmental protection, by providing propulsion systems that reduce fuel consumption, making aircraft systems that run on electricity, and spreading the use of innovative materials.

Our constant focus on innovation is an integral part of Safran’s corporate identity. Our success in this market has always been the result of technological developments that kicked off decades earlier, as shown by the history of the two aircraft engines, CFM56 and LEAP.

After Snecma (Safran) and GE created their equally-owned joint venture CFM International in 1974, they had to wait five years to win the first customer for the new CFM56 engine, designated LEAP, designed to power single-aisle commercial jets.

In 2008, as the world experienced skyrocketing oil prices, Safran and GE announced the development of a brand-new engine that would enter service in 2016 and significantly reduce fuel consumption. Designated LEAP, this new engine is available in three different versions and has already recorded more than 4,300 orders by 2020.

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In 2012, Safran and 13 other companies signed a letter of intent to continue working on this program as Clean Sky 2, running from 2014 to 2020.

A major player in aeronautical research

Safran plays a lead role in the European research program Clean Sky, a Joint Technology Initiative (JTI) launched in 2008 to meet the objectives set by the Advisory Council for Aeronautics Research in Europe (ACARE). In 2012, Safran and 13 other companies signed a letter of intent to continue the program as Clean Sky 2, running from 2014 to 2020.

We also carry out our own research programs on specific subjects, in collaboration with outside partners. In September 2012, we launched a program called HAIDA to accelerate R&D on aerodynamics and aerothermodynamics, two disciplines that heavily impact the performance of propulsion systems.

ACARE’s objectives for air transport in 2020 (vs. 2000):

- 50% DECREASE IN CARBON DIOXIDE (CO₂) EMISSIONS
- 80% DECREASE IN NITROGEN OXIDE (NOₓ) EMISSIONS
- 50% DECREASE IN PERCEIVED NOISE

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LEAP

Tomorrow’s aero-engine

The CFM International LEAP has already been chosen to power the Airbus A320neo (LEAP-1A), Boeing 737 MAX (LEAP-1B), and Comac CR919 (LEAP-1C).

This engine offers a significant improvement in economic and environmental performance compared to current engines, including a 15% decrease in specific fuel consumption and CO₂ emissions, a considerable decrease in the ground noise footprint, and NOₓ emissions 50% under CAEP/6 standards.

SILVERCREST

The new-generation business jet engine

The Silvercrest engine built by SMA, a subsidiary of Snecma (Safran), will power Comac’s new Ct6-840C0 turboprop engine. This advanced compression ignition engine meets the requirements of the general aviation market, since it will reduce fuel consumption by 30% to 40% compared to piston-powered aircraft using aviation gasoline (AVGAS).

The SR305 engine produced by SMA, a subsidiary of Snecma (Safran), will power Cessna’s new Turbo Skylane NXT airplane. This advanced compression ignition engine meets the requirements of the general aviation market, since it will reduce fuel consumption by 30% to 40% compared to piston-powered aircraft using aviation gasoline (AVGAS).

ARRANO

Power for the X4 helicopter

The new Arrano turboshaft engine by Turbomeca (Safran) will power Eurocopter’s new-generation X4 helicopter, scheduled to enter service in 2017. In addition to significantly reducing fuel consumption compared with today’s engines, it will also increase the helicopter’s range and payload capacity, while reducing its environmental footprint. Furthermore, thanks to optimized maintainability, it will reduce operators’ total cost of ownership.

PRODUCTS & TECHNOLOGIES

The new Silvercrest engine meets the requirements of the general aviation market, since it will reduce fuel consumption by 30% to 40% compared to piston-powered aircraft using aviation gasoline (AVGAS).
Electricity gains ground

One of today’s top priorities for aircraft manufacturers is the trend toward “more electric” aircraft. This means replacing the hydraulic and pneumatic systems that have traditionally been used to power the aircraft’s systems by electrically-driven systems. However, this changeover demands a significant increase in the power offered by electrical generation and distribution systems.

Electrical power has a number of advantages, including greater flight safety and weight savings that reduce fuel consumption and greenhouse gas emissions. Above all, the advent of electrical systems will help reduce the cost of assembling and maintaining aircraft, while increasing their dispatch reliability.

The trend to more electric aircraft is one of Safran’s pivotal strategic objectives, supported by sustained Research & Technology investments for a number of years, leading to contracts on major aircraft programs. For example, the Electrical Thrust Reverser Actuation System (ETRAS®), designed by Hispano-Suiza (Safran) and equipping the Airbus A380, is the world’s first system of this type. In 2011, Hispano-Suiza was chosen by Embraer of Brazil to supply primary and secondary electrical distribution systems on its new KC-390 military transport, along with a backup electrical generation system. The electric brake by Messier-Bugatti-Dowty (Safran), a breakthrough that had already been chosen for the Boeing 787 Dreamliner, in a world first, was selected by Eurocopter in 2012 for its new-generation X4 helicopter.

Acquisition of GEPS, a strategic move

On October 16, 2012, Safran signed the definitive agreement to acquire Goodrich Electrical Power Systems, or GEPS, giving birth to a world leader in aircraft electrical systems. With the acquisition of GEPS, Safran adds critical skills and experience in electrical power generation systems, which are at the heart of airborne electrical systems. Safran is now a world-class supplier of these electrical systems, adding the capabilities of GEPS to its own broad expertise, spanning data and power transmission (Safranband), power electronics (Safran Power/Hispano-Suiza), and innovative electrical equipment (Messier-Bugatti-Dowty electric brakes, Airbace–thrust reversers).

The growing use of innovative materials, combining lightness and strength

Another focus on today’s aircraft is the increasingly widespread use of innovative materials. Safran is one of today’s aerospace industry leaders in the application of composite materials, which are lighter and stronger than their metallic counterparts, and will be used more and more to meet the economic and environmental challenges facing the air transport industry. For instance, we have developed the 3D woven XTRM (Rear-Transfer Molding) composite material production method for fan blades, which lightens jet engines and enables higher bypass ratios, a factor in reducing fuel burn. Other initiatives are under way to introduce composite materials, for instance a TechSpace Aero (Safran) program to use these materials on low-pressure compressors.

New production plants, dedicated to composite parts for LEAP

The LEAP engine makes broad use of composite parts, which contribute significantly to its higher performance. To handle the ramp-up in demand for 3D woven XTRM parts for this engine, Safran has reorganized its production organization, in particular building production plants that will combine the resources and capabilities of Snecma (Safran) and Albury, an American company that is the Group’s exclusive partner in the three-dimensional weaving of carbon-fiber preforms. Two identical plants will handle the production of composite fan blades and casings for the LEAP engine. The first, in Rochester, New Hampshire, in the United States, will be commissioned in 2014, while a second plant, in Commercy, in the Lorraine region of eastern France, will turn out its first parts in 2015.
GUARANTEEING PASSENGER SECURITY

Through Morpho, Safran masters all technologies needed to address security requirements in airports: explosive detection, identification, secure travel documents, border control and access control for secure zones.

Combining security and faster passenger throughput in airports

The advent of new threats demands effective countermeasures. This is a critical challenge in air transport, where controls are necessary for security, but should impact travelers as little as possible. Solutions that combine security and smooth-flowing passenger traffic in airports are based on automated ID border checks, which require the preliminary availability of biometric passports, plus effective systems to impact travelers and their luggage. Safran has made a series of targeted acquisitions since 2008 to bolster our leadership positions in the biometrics and identification markets, and also underpinned our breakthrough in the detection market. The Group’s security specialist, Morpho, is now in a perfect position to capitalise on the growth in global security markets. Morpho is converging its biometric and detection technologies to develop a single detection, identification, secure travel documents, border control and access control for secure zones.

700,000 PASSENGERS

have taken advantage of Cassiopee’s Flight Data Management (FDM) services.

1 MILLION FLIGHTS

have taken advantage of Cassiopeée’s Flight Data Management (FDM) services.

Safe flights, effective fleet management

Sagem (Safran) offers a wide range of avionics systems and equipment to handle flight control, guidance and onboard information, giving pilots flexible, high precision systems to ensure maximum flight safety. Sagem is the world’s leading supplier of helicopter flight controls. Working through FADEC International, an equal joint venture with BAE Systems, it provides these full authority digital engine control (FADEC) systems for a wide range of aircraft, including the Boeing 737 Next Generation, Airbus A380 (with GP7200 engines), Sukhoi Superjet 100, Comac C919, etc.

R&D

The challenge of detecting explosive traces

The Transportation Security Administration (TSA) of the United States has chosen Morpho’s CAT/BPSS to test a new system in three international airports in the country. Dubbed CAT/BPSS, or Credential Authentication Technology/Boarding Pass Scanning System, it will automatically check driver’s licenses, passports and other routine ID documents and ensure that the passenger matches his or her boarding pass. Now under test, this technology is designed to improve the current process, requiring manual checks.

E-GATES

Quick, secure border crossings

Morpho (Safran) modernizes border control procedures by automating the travel document authentication process and checking passenger ID using biometric data. In France, the Paris airports authority and Marseille–Provence airport opted for fingerprint-based authentication using automated PARAFE e-gates. Both Australia and New Zealand have equipped their airports with biometric SmartGates based on facial recognition technology. Morpho’s automated e-gates are now deployed in a number of international airports, speeding up controls for over 20 million passages to date, while ensuring security.

CAT/BPSS

An ID scanning system test project in US airports

Morpho’s CTX/XRD is a fully integrated detection system, combining computed tomography imaging of luggage with Raman spectroscopic analysis.

The Israeli Airports Authority (IAA) has ordered several systems of this type following a successful test at the Ben Gurion international airport in Tel Aviv.

CTX/XRD

State-of-the-art solution for checked luggage inspection in Israel

Morpho’s CTX/XRD is a fully integrated detection system, combining computed tomography imaging of luggage with Raman spectroscopic analysis.

The Israeli Airports Authority (IAA) has ordered several systems of this type following a successful test at the Ben Gurion international airport in Tel Aviv.
Facilitating daily life and ensuring security

The innovative solutions developed by Morpho (Safran), whether ID documents or biometric identification technologies, are applied in many different areas of our daily life, including identity management, telecommunications, healthcare, banking and transportation, to name just a few.

We confirmed our global leadership in identity solutions in 2012, in particular with the creation of MorphoTrust USA (formerly L-1 Identity Solutions), whose solutions are already used to issue driver’s licenses – the main ID document in the United States – in over 40 states. Morpho also won contracts this year through various consortiums, to supply e-passports in various countries.

No. 1 IN AUTOMATED FINGERPRINT IDENTIFICATION, according to the US National Institute of Standards & Technology (NIST).

MORPHO
NFC/LTE SIM CARDS
South Korea pioneers contactless technology

Morpho’s solutions are applied in many different areas of our daily life, including identity management, telecommunications, healthcare, banking and transportation, to name just a few.

The products and technologies developed by Safran help protect people and goods, and ensure the security of both transportation and transactions. Our solutions build people’s trust and maintain state security at the highest possible level.

ENHANCING PROTECTION FOR CITIZENS

In November 2012, Morpho (Safran) announced the delivery of over 500,000 NFC/LTE (Near Field Communication/Long Term Evolution) SIM cards to Korea Telecom, the second leading mobile operator in South Korea. This initial delivery resulted from a framework contract for several million units, signed in 2012. Through this technology, Korea Telecom allows customers to make purchases or buy public transport tickets by simply placing their mobile phones in front of one of the 200,000 contactless terminals installed in the country.

MORPHOTOP™ Fingerprint scanner certified by the FBI

MorphoTop™ 100R, a compact, high-speed fingerprint scanner, has been certified by the FBI.

MORPHOBIS
TurboMeca SBH™ Reliable support for rescue missions by the Hong Kong Government Flying Service (GFS)

TurboMeca (Safran) has provided reliable support for the Hong Kong Government Flying Service (GFS) for its Search & Rescue (SAR) missions for over ten years. The helicopters deployed by GFS, all powered by TurboMeca engines, are covered by a “support by the hour” (SBH®) contract, enabling the government department to anticipate its maintenance costs and enjoy quick assistance.

TURBOMECA

The New York Police Department’s biometric ID system

The system deployed by Morpho (Safran) for the New York Police Department automatically manages comparisons of fingerprint data from crime scenes and the “ten-print” or palm-print records in their database – all with unrivaled speed and accuracy. Sweden’s police force is the first in Europe to deploy this new-generation automated fingerprint identification system (AFIS).

Solutions for police, military and civil security forces

Morpho confirmed its position this year as a favored partner to police forces, with the company’s solutions being chosen by Interpol, the New York police and the FBI.

Morpho also provides control system to the French police for road safety applications. In the United Kingdom, the government used Morpho’s solutions to identify illicit funds implicated in drug trafficking, using a portable trace detection system. Sagem (Safran) designs a wide range of products for use by police forces, homeland security units and customs services, as well as for mountain and maritime rescue missions. Sagem offers a wide range of increasingly innovative solutions for avionics, navigation, optronics and safety-critical software, including inertial navigation systems, infrared binoculars, the FELIN integrated equipment suite for soldier modernization programs, and much more.

Facilitating daily life by truck and bus drivers.

In November 2012, the digital tachograph disks, which record driving time by truck and bus drivers, had to be ordered by transport operators from the Finnish transport safety agency to supply driver’s licenses and a four-year contract with the Finnish transport agency. Various consortiums, to supply e-passports in many different areas of our daily life, including identity management, telecommunications, healthcare, banking and transportation, to name just a few.

Safran’s solutions, applied in many different areas of our daily life, including identity management, telecommunications, healthcare, banking and transportation, to name just a few.

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PRODUCTS & TECHNOLOGIES
FACILITATING ACCESS TO SPACE

With the creation of Herakles, Safran becomes a world leader in solid rocket propulsion, a key technology for launch vehicles which also provides a complementary fit with Safran’s long-standing expertise in cryogenic rocket propulsion.

HERAKLES, BIRTH OF A GLOBAL LEADER IN SOLID PROPULSION

On May 7, 2012, Safran finalized the merger of its subsidiaries SNECMA Propulsion Solide and SME (SNPE Matériaux Énergétiques), acquired in 2011. Named Herakles, this new company has over 3,000 employees and five core businesses: strategic propulsion, tactical propulsion, space propulsion, aeronautics and thermosstructural composites, and industry and organic matrix composites.

Safra's role on Ariane and Vega, pillars in the European space program

Safran is one of the main contributors to Europe’s Ariane and Vega launchers, and plays an active role in Research & Development programs for Ariane’s successors. In November 2012, the ministerial level European Space Agency (ESA) Council meeting approved the continuation of the Ariane 5 ME (Midlife Evolution) program, for an upgraded launcher that will enter service in 2017-18. It also approved the follow-on program, designated Ariane 6, for a launcher scheduled to enter service in 2021-22. The detailed definition of Ariane 6 should be completed by 2018, based on decisions made to favor technological developments that will benefit both Ariane 5 ME and Ariane 6, such as the Vinci® upper-stage engine being developed by SNECMA. This restartable upper-stage engine will inject the payload into orbit, typically two satellites into geostationary transfer orbit. At the same time, Safran will continue to supply a number of systems already used on Ariane 5: the solid boosters that provide most of the thrust at liftoff; the Vinci® cryogenic main-stage engine, pressure sensors needed for guidance, wiring harnesses, and control equipment for the upper stage.

First flight of Europe’s new Vega launcher a success

Europe’s family of launch vehicles has expanded with the introduction of Vega, a light launcher designed for smaller satellites. Its first qualification launch on February 15, 2012 from the Guiana Space Center in Kourou, French Guiana was a complete success. Herakles and its subsidiaries play a key role on this launcher: SNECMA supplies all destruction, ignition and separation equipment for the second and third stages.

ARIAINE 5 ME SAFRAN TO SUPPLY ENGINES AND EQUIPMENT

For the upgraded Ariane 5 ME (Midlife Evolution), Safran will provide the Vinci® cryogenic engines developed by SNECMA. This restartable upper-stage engine will inject the payload into orbit, typically two satellites into geostationary transfer orbit. At the same time, Safran will continue to supply a number of systems already used on Ariane 5: the solid boosters that provide most of the thrust at liftoff; the Vinci® cryogenic main-stage engine, pressure sensors needed for guidance, wiring harnesses, and control equipment for the upper stage.

Vinci® cryogenic main-stage engine

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LANDING GEAR Support packages for the complete life cycle

Safran supports our customers day after day, and the service business contributes to our financial health and robust business model. We guarantee our customers’ business continuity, while keeping their operating and maintenance costs under control.

Custom-tailored services for aircraft engines and equipment

We signed a number of MRO (maintenance, repair and overhaul) contracts in 2012: – Four of the world’s leading aircraft leasing firms – International Lease Finance Corporation (ILFC), CIT Aerospace, AerSale and GE Capital Aviation Services (GECAS) – signed contracts with CFM International to include their engines in the TRUEngine® program. – Rolls-Royce and Aircastle (Tattar), to deliver higher value to their joint customer, signed a 25-year contract providing for the maintenance of the nacelles on the Trent 900 engines powering British Airways’ 12 Airbus A380 super jumbos. – Messier-Bugatti-Dowty (Safran) won general overhaul contracts for more than 240 landing gear sets, bolstering its leadership position in this market. Life-cycle support: total reliability

For the last dozen years, Safran has enhanced its life-cycle support offering to better meet the expectations of today’s armed forces. Billing by flight-hour and/or programme for dispatch reliability and response times, in exchange for long-term contracts. The most emblematic of these contracts, signed by Turbomeca with the French government in 2001 and covering 1,408 helicopter engines, was renewed in September 2012 for a period of ten years. Also last year, Safran (Sagem) signed a life-cycle support contract for Sperwer tactical drone systems deployed by the French army, covering all maintenance, repair and technical support for systems until 2014. In addition, Sagem signed a through-life support contract for the STRIX observation and lighting systems on the French army’s Tiger combat helicopters. In addition to these new contracts, Safran continues to provide life-cycle support to the French government for the MBII engine powering the Rafale fighter and the Tyne engine powering the Transall transport and Briquet Atlantic maritime patrol aircraft 20-year contracts signed in 2010.

Security equipment maintenance

Morpho (Safran) booked an order from the US Transportation Security Administration (TSA) for the maintenance of its terrier XL portable explosive trace detectors, deployed in American airports since November 2009. The OEM (Original Equipment Manufacturer) guarantee, initially set at two years, has been extended by a year, with annual renewal options. The TSA has recognized the significant cost savings achieved thanks to the OEM warranty. The Botswana police also renewed their confidence in Morpho by signing a two-year maintenance contract for their automated fingerprint identification system.

SAFRAN

BUSINESS AND CORPORATE SOCIAL RESPONSIBILITY REPORT – 33

PRODUCTS & TECHNOLOGIES
Safran, a dynamic, constantly evolving enterprise, seeks excellence in all areas to underpin our own development and foster total customer satisfaction.

An ambitious R&D policy
Safran’s success is based on continuous innovation, archived in sustained Research & Development investments. In 2012, we had R&D expenditures of 1.6 billion euros, or about 12% of our revenue. Over the last few years, this innovation strategy is also based on targeted acquisitions, especially technology start-ups. Morpho (Safran) acquired Casis International in 2012, for instance, a pioneer and leader in Trusted Service Management (TSM), along with the European subsidiaries of Allnote, specializing in the production and personalization of bank cards. Sagem (Safran) strengthened its optoelectronics and night vision business by acquiring a small, innovative Brazilian company, Optovac. And Safran continues to form partnerships with international research organizations and laboratories active in areas related to the Group’s businesses, while maintaining long-standing relations with a number of leading technical schools and universities.

Our constant focus on innovation has resulted in a large number of patent applications, over 750 filed in 2012, and a total portfolio of nearly 24,000 titles. In 2012 we were ranked third among French companies in terms of the number of patents published (according to the ranking published in April 2013 by the National Institute of Intellectual Property, INPI), and Group company Snecma (Safran) was ranked among the “Top 100 Global Innovators” in 2012 by Thomson Reuters.

Large-scale capital investments
Safran invests heavily in industrial facilities to keep pace with rising production rates, support our strategy of establishing a distinctive difference through innovation, and move closer to our customers. The opening of new facilities offering world-class industrial and environmental performance clearly reflects our commitment. In February 2012, for example, Labinal (Safran) inaugurated a new plant in Villacoublay, just a few kilometers from the old factory, to stay close to its main customer, EADS. The new 13,500 square meter site, considered “Green & Lean”, was designed to meet the most demanding environmental requirements, and to ensure optimized production, use of space and workstation ergonomic design. The 730 employees at this plant, who work on all main aircraft produced by Airbus and Eurocopter, enjoy a thoroughly modern environment, combining enhanced working conditions and industrial efficiency.

In March 2012, SAMES (Snecma America Engine Services) opened a new aircraft engine MRO center in Mexico, dedicated to operations in the Americas. The brand-new buildings, offering some 15,000 square meters of floorspace, are located next to two other Safran company plants, Messier-Bugatti-Dowty and Sagem, in the aerospace industrial park at Querétaro.

AIMING FOR EXCELLENCE ACROSS THE BOARD

SME PACT
HELPING FINANCE OUR SUPPLIERS
Safran helps small and medium-size enterprises (SME) secure the financing needed to fund their growth or development into a Tier-1 supplier, especially by supporting their financing requests to organizations such as Aerofund, or the Strategic Investment Fund.

RESPONSIBLE PURCHASING
COMMITMENT TO SHELTERED WORKSHOPS AND ADAPTED ENTERPRISES
Safran calls on adapted enterprises and the ESAT network in France that facilitates subcontracting or other work for disabled persons. The Group’s agreement to support the employment of disabled persons provides for an increase in this program, with a sales target of 8 million euros in 2014, versus 2.5 million euros in 2011.

TRADE COMPLIANCE OFFICERS
guarantee that our business is conducted according to the highest ethical standards.

€419 MILLION
CAPITAL EXPENDITURES
in 2012 to keep pace with production ramp-up and new technologies.

€1.6 BILLION
R&D EXPENDITURES
and more than 750 patents filed in 2012.

75
TRADE COMPLIANCE OFFICERS
guarantee that our business is conducted according to the highest ethical standards.
Long-term supplier relations

In line with our commitment to corporate social responsibility (CSR), Safran has established long-term relationships of mutual trust with our suppliers, and we support their development. Our supplier’s ability to address sustainable development issues plays a decisive role in their selection, on a par with their cost, quality and on-time delivery performance, along with their expertise and ability to innovate.

The “ Responsible purchasing, project, deployed in 2012 and 2013, is designed to enhance our purchasing strategies and practices by raising the awareness of Safran’s own buyers and suppliers to the challenges of CSR.

This project also provides for an evaluation of suppliers in terms of their commitment to social responsibilities.

A structured approach to performance improvement

When we launched the Safran’s modernization initiative in 2009, it was accompanied by several projects designed to shake things up inside the Group. One of these was RTDI (the French initial for research, technology, development and production engineering), designed to improve our industrial performance over the entire product design and production cycle. Conducted over a period of three years, RTDI identified performance levers which were deployed starting in 2012. One of these levers is the “design to cost” method. It aims to achieve technological excellence at the best cost, while meeting the customer’s expectations in terms of performance, functionality, quality and on-time delivery.

Safran applies the Lean-Sigma approach to support our continuous improvement drive, using proven tools to optimize processes and make them reliable, stable and predictable. In 2012, Safran provided Lean Sigma training for over 10,000 employees at different levels, including 5,000 White Belts, who are instructed in the basic principles and objectives, and 400 Black Belts, who manage Lean Sigma projects full-time.

A new training program, Lean Manager, has been rolled out to help managers involved more efficiently direct their teams working on Lean Sigma projects.

Lean principles are now applied to all areas, with the Lean Office initiative introducing the same methods long used in production to our support functions. The Lean approach is designed to increase productivity, reduce overhead expenses and improve service quality delivered to customers, whether internal or external.

At the same time, the participative innovation initiative has really taken root among all Safran employees. In 2012, nearly 15,000 improvement ideas submitted by employees were applied within the Group.

Enhancing the competitiveness of support functions

The identification of potential synergies has been extended to support functions, with the creation of shared services centers (SSC), pooling certain services at Group level to benefit all companies. These centers are being developed wherever the number of employees makes them cost-effective. The initiative is especially well developed in France, where an SSC department has been created, grouping for example payroll services for the employees of all Group companies in France, along with accounting, hiring and non-production purchasing. Based on the same principles, other functions have become increasingly centralized, including health, safety and environment (HSE), information technology, training, communications and legal affairs.

A number of functions in our companies in the United States have also pooled their services, including finance, legal, advice, payroll, human resources, purchasing and IT. Safran has launched studies to pave the way for shared services centers in other countries, including China, where some services are already pooled, as well as Mexico, Russia, India and the United Kingdom.
At Safran, the human factor is fundamental. In our high-intensity technology sectors, with product life cycles that often stretch over dozens of years, the innovations we develop today – and the talented people behind these innovations – will guarantee our success in the future.

Day after day, Safran moves forward thanks to the people who are united by the pride and passion of working for an enterprise that helps develop concrete solutions to address today’s most pressing economic, social and environmental issues. To make sure our people realize their full potential, Safran has made human resources development a top priority. We deploy an advanced social model, with sustained investment in training, and concrete engagements to foster diversity, social responsibility and environmental friendliness.

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<th>7,500</th>
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<td>new hires in 2012</td>
<td>of payroll dedicated to training</td>
<td>employee shareholding rate in the CAC 40</td>
<td>women in the workforce</td>
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“SAFRAN IS RECRUITING ENGINEERS FOR SOME VERY IMPORTANT MISSIONS”

That was the tagline for an international advertising campaign focusing on the social contribution of Safran’s innovative and reliable technologies. For example, thanks to the Arriel helicopter engine designed by Safran engineers, Eric, a search & rescue worker in the Alps, can continue helping mountain climbers in difficulty.

SAFRAN DISCOVERY DAY 2012

Safran’s integration day was held on June 6 at the Le Bourget venue near Paris, in an atmosphere of discovery, sharing and getting to know each other. It brought together some 3,000 newly hired and promoted managers from around the world. The Group’s senior executives, company CEOs and technical experts participated in roundtables that also featured extensive audience participation. This large-scale orientation and integration event had a significant impact inside the Group, and garnered major media coverage.

MORE THAN 200 SAFRAN AMBASSADORS: A PIVOTAL ROLE IN SCHOOL PARTNERSHIPS

Safran’s “ambassadors” stay in touch with their alma maters, participating in seminars and roundtable discussions, simulated hiring interviews, etc., to develop the Group’s recognition and establish direct contacts with students. This outreach helps them detect the promising youngsters who are really stimulated by Safran’s professions and technologies.

ATTRACTION AND INTEGRATION OF TOP TALENTS

Achieving technological excellence means being able to count on top talents across the board. Safran invests heavily to recruit the most talented people available, and makes sure they enjoy real career development opportunities. The men and women who join Safran become an integral part of an exciting human and technological adventure, and contribute to our exceptionally dynamic growth.

Significant recruiting needs

Safran is recruiting a wide variety of candidates – recent graduates, seasoned engineers and managers, technicians and line workers – to meet emerging challenges. In 2012, the Group hired over 7,300 new employees, including half in France, and this pace will not slacken in 2013. Some 64% of new hires in France are engineers and management staff, with 40% young graduates. To help young people integrate in the workforce and develop their skills, Safran invests heavily in training through work-study programs and internships.

Developing our employer brand

Safran has launched various communications actions targeting potential candidates to meet significant recruiting needs, including an employer brand campaign deployed since February 2012. The large-scale campaign spotlights a feature that makes Safran stand out as an employer of talent: it really stimulates business graduates and students to join Safran.

7,500+ NEW HIRES IN 2012

4th PREFERRED EMPLOYER OF FRENCH ENGINEERING STUDENTS (1)

3,182 YOUNG PEOPLE IN WORK–STUDY PROGRAMS AND 2,951 INTERNS IN FRANCE IN 2012

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Integration in the Group

New hires at Safran receive sustained support as they move up the responsibility chain, backed by targeted integration measures at both Group and company level. A special “Discovery Day” was organized in 2012 at the Le Bourget venue near Paris to welcome some 3,000 new engineers and managers from around the world. Corporate Human Resources is also analyzing the deployment of a Group-wide integration itinerary to ensure that new employees from all companies become familiar with all aspects of Safran, develop their personal networks and better understand our career development opportunities, stability and training policies.

(1) According to the 20th survey of French engineering and business school student’s preferred employers in 2012, by TNS Sofres.
SUPPORTING SKILLS DEVELOPMENT

In any high-tech company, the ability to bolster everybody’s skills and develop a shared corporate culture is the key to building solid foundations for the future. And that’s why Safran invests 4% of its payroll in training, and continued to develop Safran Corporate University in 2012 as a vector for cultural, technological and organizational transformation.

Developing training
Safran Corporate University was founded to support the Group's development by transmitting the knowledge and skills needed for growth. The university also helps promote a shared corporate culture and values, while directing training efforts towards priority objectives for skills development. Training programs offered by the university address all employees, at every level. A new Talent Development department was created in 2012, to strengthen the career management of executives and spotlight forward-looking managerial excellence.

An international, multicultural university
Operating across the world, Safran also invests heavily in training at the international level. Safran Corporate University already has campuses in Beijing and Dallas, two faculties that integrate local requirements in their training courses. Safran Corporate University now has training programs in a dozen countries, with courses in French, English or the local language. At the same time, the university helps spread Safran’s influence among customers and partners worldwide.

Safran’s a major player in a project to create a French-Brazilian aircraft maintenance training center, whose objectives are defined in an agreement signed by French and Brazilian authorities in March 2012. We are also involved in training initiatives in Morocco, where the aviation industry has developed significantly in recent years, with support from the Moroccan government and European industry. We provided extensive support for the creation of an aviation technician training center in Casablanca, inaugurated in May 2011, and we have formed partnerships with local schools and universities, including the Moroccan Foundation for Advanced Science, Innovation and Research, and Al Akhawayn University in Ifrane.

Training certificates and degrees, validation of life experience
In France, Safran signed an agreement in 2012 with the Conservatoire national des arts et métiers (Cnam), a major player in continuing higher education. Cnam will contribute its broad experience and high-level skills in various scientific and technical disciplines. The training courses developed by Safran Corporate University will be rounded out by courses from Cnam, with equivalent credits set up between the two training programs. For instance, Safran employees will be able to take a specific training program leading to a certificate or degree. A process to validate life experience, specific to Group employees, is also being studied. The first job sectors to take advantage of this partnership are finance, process engineering and the supply chain, along with Gateway itineraries designed to guarantee the career development.

Group-wide networks to enrich skills
Safran is now developing Group-wide skills networks alongside its “Experts” network, created in 2005 to federate employees with solid experience and high-level skills in various scientific and technical disciplines.

A network of innovators from different Group companies and business sectors was created in 2012. Its role is to expand the innovation dynamic and accelerate the time to market for breakthrough technologies.

LEADERSHIP MODEL
The Group launched its Leadership Model in 2012. This model describes the management style needed to ensure Safran’s long-term performance and competitiveness, from the standpoint of both values and behavior. It defines specific behavioral models associated with five key competencies:

- Embarking on a shared vision;
- Daring to innovate;
- Scoring as a team;
- Empowering people;
- Leading by example.

37,000
EMPLOYEES TOOK TRAINING COURSES IN 2012
1.4 MILLION
TRAINING HOURS IN 2012
4%
OF PAYROLL DEDICATED TO TRAINING

A CENTRAL CAMPUS FOR SAFRAN CORPORATE UNIVERSITY
Safran has acquired the land where it is building its new university campus. Located in the Paris suburb of Massy, close to Orly airport and easy to reach in general, this 13-hectare campus can welcome up to 600 students at a time. It features an amphitheater, classrooms and accommodations for students.

SKILLS AND EMPLOYMENT PLANNING
Safran has set up Gateway programs to guarantee the employability of our people. These itineraries are designed to help employees boost their skills to facilitate their adaptation to changing job requirements, or to support a career development goal or job change.

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Operating across the world, Safran also invests heavily in training at the international level. Safran Corporate University already has campuses in Beijing and Dallas, two faculties that integrate local requirements in their training courses. Safran Corporate University now has training programs in a dozen countries, with courses in French, English or the local language.

At the same time, the university helps spread Safran’s influence among customers and partners worldwide. Safran’s a major player in a project to create a French-Brazilian aircraft maintenance training center, whose objectives are defined in an agreement signed by French and Brazilian authorities in March 2012. We are also involved in training initiatives in Morocco, where the aviation industry has developed significantly in recent years, with support from the Moroccan government and European industry.

We provided extensive support for the creation of an aviation technician training center in Casablanca, inaugurated in May 2011, and we have formed partnerships with local schools and universities, including the Moroccan Foundation for Advanced Science, Innovation and Research, and Al Akhawayn University in Ifrane.

Training certificates and degrees, validation of life experience
In France, Safran signed an agreement in 2012 with the Conservatoire national des arts et métiers (Cnam), a major player in continuing higher education. Cnam will contribute its broad experience and high-level skills in various scientific and technical disciplines.

The training courses developed by Safran Corporate University will be rounded out by courses from Cnam, with equivalent credits set up between the two training programs. For instance, Safran employees will be able to take a specific training program leading to a certificate or degree. A process to validate life experience, specific to Group employees, is also being studied.

The first job sectors to take advantage of this partnership are finance, process engineering and the supply chain, along with Gateway itineraries designed to guarantee the career development.

Group-wide networks to enrich skills
Safran is now developing Group-wide skills networks alongside its “Experts” network, created in 2005 to federate employees with solid experience and high-level skills in various scientific and technical disciplines.

A network of innovators from different Group companies and business sectors was created in 2012. Its role is to expand the innovation dynamic and accelerate the time to market for breakthrough technologies.

LEADERSHIP MODEL
The Group launched its Leadership Model in 2012. This model describes the management style needed to ensure Safran’s long-term performance and competitiveness, from the standpoint of both values and behavior. It defines specific behavioral models associated with five key competencies:

- Embarking on a shared vision;
- Daring to innovate;
- Scoring as a team;
- Empowering people;
- Leading by example.

37,000
EMPLOYEES TOOK TRAINING COURSES IN 2012
1.4 MILLION
TRAINING HOURS IN 2012
4%
OF PAYROLL DEDICATED TO TRAINING
DIVERSIFYING PROFILES

As a responsible corporate citizen that values its people, Safran is committed to equal opportunity and diversity in the workplace – which we consider a major factor driving performance and innovation.

“WOMEN, INDUSTRY AND DEVELOPMENT”
Safran organized a campus visit in Rabat, Morocco in March 2012 to share its commitment to women’s training and education in Morocco. The event addressed opinion-leaders in the country and employees of Safran in Morocco. The Group boasts a significant presence in Morocco, with six companies, more than 2,000 employees (56% women), and a management staff including 40% women.

AGREEMENT FOR THE EMPLOYMENT OF DISABLED PERSONS
Safran signed a Group-wide agreement with all unions in April 2012 to support the employment of disabled persons in France. Running for three years, this agreement provides for the recruitment of more than 70 disabled employees, and training for 100 young people in work-study programs and 65 interns. It also encompasses strengthened arrangements for integration and training, as well as support measures for career development.

SAFRAŃ WINS TWO AWARDS FOR EMPLOYEE SHAREHOLDING POLICY
The federation of associations of employee shareholders awarded its Grand Prize to Safran in 2012 for advances in employee shareholding. In addition, ORAS, part of the RHSM group awarded a Compensation & Benefits trophy to Safran for the deployment of an international employee shareholding operation.

SAFRAŃ RECOGNIZED FOR PARTICIPATIVE INNOVATION
During the Carrefour de l’Innovation participative forum organized in November 2012 by the association Innovation & Compétitivité, Safran’s Fougères plant received an award for the maturity of its organization set up to facilitate innovation and continuous improvement. The tools and methods deployed have proved to be especially effective, with an average of more than ten ideas per person and per year being applied.

Shaping the fruits of growth
Safran has logged steady progress in building a solid base of social benefits. Through profit-sharing and incentive measures, we give employees a stake in our success, by equitably sharing the fruits of growth. In June 2012, management and the main unions signed an amendment to the profit-sharing agreement, applicable to Group employees in France and using a new simplified formula, directly related to our financial results. Furthermore, in 2012, for the second year in a row, Safran paid a profit-sharing bonus to French employees. In February 2012, management and unions signed an agreement creating a collective retirement savings plan, offering Group employees in France the possibility of establishing a supplemental retirement plan under advantageous conditions.

Employees: shaping their own careers and contributing to corporate strategy
In 2012, Safran bolstered measures that guarantee the employability of employees and their professional development. These measures include training courses open to all employees, and skills and employment planning designed to facilitate mobility and career development. Safran has also developed a participative innovation initiative, applied throughout the Group. This initiative allows each employee, no matter what their position in the enterprise, to be recognized as a change agent, based on their innovative ideas and actions. Safran organizes an annual Innovation Awards competition to recognize employee initiative in all sectors and at all levels. We reaffirmed our commitment to this principle in 2013 by signing the Participative Innovation Charter with the association Innovations – a text enabling French companies to make a concrete commitment to promoting participative innovation.

Diversity, a top priority
Safran has long been committed to fighting discrimination and promoting equal opportunity. Reflecting this approach, in 2008 Safran created a Diversity department as part of Corporate Human Resources, and then two years later signed the Diversity Charter. Our actions in this area are based on four primary objectives: promoting gender equality throughout the enterprise, employing seniors, helping disabled as well as maintaining their employment, and social inclusion.

Supporting gender equality
Safran pays particular attention to gender equality in the workplace, backed by a wide range of measures. For example, in 2012 agreements were applied at a majority of Group companies. Safran is a partner in the association ELLes Bougent (“Women on the Move”), which aims to promote engineering and technical careers for female high school and college students. Once again, Safran participated in a number of awareness-raising actions organized by the association, including several visits to Group plants. Safran also renewed its partnership in 2012 with the Women’s Forum, a major international event in Deauville. About 80 women from Safran participated in the discussions and conferences on how women see today’s major economic and social challenges, including Sylviane Picard, head of the biometrics research team at Morpho, who won the Innovation award in September 2012 during the first Women in Industry Awards organized by the business magazine Créme Nouvelle.

A long-term commitment to integrating young people
Another top priority for Safran is a proactive employment policy for young people. In 2012, for example, the Group started negotiations at the European level on the integration of young people in the workforce. The agreement covers training, support and recruitment, in line with objectives for diversity and gender equality. Safran also continued actions in partnership with Pratéo, an association founded to support high-potential students from low-income families, by offering an opportunity to be mentored by top young employees.

Career-long support
Employees: 50 years and over represent nearly 30% of the Group’s workforce. Safran is fully committed to maintaining these senior employees in their jobs, under conditions that give them a positive outlook on their professional future, while leveraging their vast experience. Safran therefore continued to deploy measures in the Group-wide agreement in favor of senior employment throughout 2012. Furthermore, this agreement was temporarily extended, while awaiting negotiations on the employment of young people and seniors, slated to begin in 2013 within the scope of the French “Generations” fall.

23% WOMEN AMONG NEW MANAGEMENT HIRES
1,507 EMPLOYEES WITH DISABILITIES IN FRANCE

SAFRAŃ AFFIRMING OUR SOCIAL MODEL

Safran’s social model is based on the firm conviction that employees are our primary asset. They have a clear stake in our performance, through an active policy of employee shareholding and strengthened social benefits. They are stakeholders in our strategy, based on a constructive labor-management relationship and a dynamic process of participative innovation.

Sharing the fruits of growth
Safran has long implemented an employee shareholding policy, one of the pillars of our corporate culture. This policy is based on both permanent structures, such as the matching shareholder fund, offered within the scope of a complete employee savings system, and one-time actions, such as the “Coverage 2012” operation, deployed from December 2011 to May 2012, enabling employees in 13 countries to acquire Safran’s shares at preferred rates. This operation proved very popular, with some 18,000 participants and more than 6.5 million shares subscribed. At year-end 2012, 80% of the workforce owned Safran’s shares. Safran employees hold 15% of the share capital and nearly 24% of voting rights. Safran ranks second among companies in the French stock market index, CAC 40, in terms of the size of its employee shareholding.

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Participative Innovation
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DIVERSIFICATION
A major international event in Deauville.
Safran also renewed a number of awareness-raising actions for female high school and college students. Once again, Safran participated in careers for female high school and college students. Once again, Safran participated in careers for female high school and college students.
PROTECTING OUR EMPLOYEES’ HEALTH AND SAFETY

Safra naturally strives for excellence in health, safety and environmental matters, in line with our values as a responsible corporate citizen and our commitment to sustainable development.

**SAFRA HSE CERTIFICATION**

The HSE certificates issued by Safra incorporate the requirements of the international standards ISO 14001 and OHSAS 18001, along with additional standards specific to the Group. Auditors are trained and qualified by Safra on a rigorous basis. To ensure their independence, they never operate in their own company, which also helps encourage the spread of best practices. Safra has asked Bureau Veritas to attest that its internal certification process is equivalent to one provided by a third party.

**STRESS PREVENTION POLICY**

Safra applies a three-pronged stress prevention policy:

- A diagnostic, based on a survey performed in conjunction with the University of Liège, the results of which are analyzed to define and implement an action plan.

- Awareness-raising measures for all employees, and training sessions for management.

- Detection of and support for employees undergoing occupational stress.

**IMPROVED ERGONOMICS**

Safra has identified ergonomics as one of its priority improvement objectives. There are three main aspects involved: enabling everybody to work under the best possible conditions, enhancing occupational safety, improving productivity. The Group hired an ergonomics specialist in 2012 to evaluate the requirements of its companies and set up appropriate solutions.

**A responsible Health, Safety and Environment policy**

At Safra we are fully committed to developing a prevention-based culture to efficiently manage our health, safety and environment (HSE) risks, for the benefit of our employees, partners, suppliers, customers, and all communities concerned by our activities, anywhere in the world. The corporate HSE policy, determined by the Group’s Chairman and CEO and applied by the Sustainable Development department, reflects a continuous performance improvement approach and Safra’s values and commitments: protect the health and safety of the people who work for the Group, guarantee the safety of our facilities and protect their surroundings; protect the health and safety of the people who work for the Group, guarantee the reliability of our facilities and protect their surroundings; protect the health and safety of the people who work for the Group, guarantee the reliability of our facilities and protect their surroundings; protect the health and safety of the people who work for the Group, guarantee the reliability of our facilities and protect their surroundings.

**Improving occupational safety to drive long-term industrial performance**

Occupational safety is one of Safra’s main concerns, and a primary performance factor. It is backed by solid Group-wide decisions, plus the all-out commitment of corporate management. While Group facilities have received HSE certification for over a decade (based on the ISO 14001 and OHSAS 18001 standards), Safra also wanted to reemerge this initiative, more closely targeting its improvement actions to meet its objective of cutting in half the rate of accidents with lost days over a period of five years (2009-2013). The Group therefore deployed a custom-tailored Safra HSE reference system, certified by the appropriate authorities. It includes all requirements stipulated in international standards, and also sets specific internal standards in 30 different areas, including ergonomics, eco-design, chemical risks, etc. These standards are designed to be both pragmatic and educational, enabling management staff to evaluate their own degree of operational expertise, and to develop an improvement plan. An internal certification committee issues HSE certificates to Group facilities, attesting to their manacity and compliance with international standards. Improving occupational safety to drive long-term industrial performance

**40% DECREASE IN ACCIDENTS WITH LOST DAYS IN 2012 VS. 2009**

**1,500 MANAGERS AND SENIOR EXECUTIVES HAVE RECEIVED OCCUPATIONAL SAFETY TRAINING IN FOUR YEARS.**

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**SEARCH FOR THE OISEAU BLANC CONTINUES!**

In 2011, Safran signed a two-year partnership with the association La recherche de l’Oiseau Blanc (“In search of the White Bird”), to find the wreck of this legendary French aircraft, piloted by Nungesser and Coli in 1937 in an attempt to fly from Paris to New York. While the searches carried out in June 2012 were unsuccessful, the project continues to mobilize energies. Safran is seeking to “find” part of its history, by searching for the plane’s engine, a 450-HP Lorraine-Dietrich 12 Eb produced by one of the Group’s predecessor companies.

**SOLIDARITY AT SEA**

Safran shared with the IMOCA technical committee the conclusions of its inquiry into the incident occurring right after the start of the 2012 Vendée Globe on its Open 60 class ocean racer, so that the lessons learned from this problem can benefit all shipbuilders and skippers and improve those 60-foot thoroughbred racing boats’ safety and reliability.

**FOSTERING SOCIAL INCLUSION AND EQUAL OPPORTUNITY THROUGH CORPORATE PHILANTHROPY**

Safran’s philanthropy actions reflect the Group’s commitment to corporate social responsibility. Our partnerships meet two main requirements, a sound structure and long-term effectiveness.

**7,924 STUDENTS FROM 158 UNIVERSITIES PARTICIPATED IN THE SAFRAN E-SAILING TEAM GAME.**

**8,000+ LORRAINE-DIETRICH 12 EB ENGINES WERE PRODUCED IN THE TWENTIES AND THIRTIES; THIS IS THE ENGINE THAT POWERED THE OISEAU BLANC.**

Safran sponsors projects that rally the people in the Group and convey our values. For instance, since 2005 we have sponsored the Vendée Globe, an ocean racing program, and since 2011 we have supported the Oiseau Blanc search effort to retrace part of our own history...
Safran’s performance in 2012 validated our strategic choices, as our businesses posted very dynamic growth. Highly competitive, always on the move, Safran is recording a steady rise in profitability. Our backlog of orders, now equal to nearly four years of production, allows us to look to the future with confidence. And our sound financial health means that we can invest heavily in both research and production facilities to bolster our positions in markets where the strategic and technological choices made today determine success for decades to come. At Safran, we have nurtured the global reach, strong competitive positions and solid shareholding structure needed to ensure sustained growth.
The Safran Executive Committee comprises the corporate officers and the persons shown below.

**EXECUTIVE COMMITTEE**

Left to right:
- Philippe Schleicher, Chairman and CEO, Herakles
- Olivier Petitcolin, President, Defense-Security
- Karen Bomba, Chairman and CEO, Sagem
- Bruno Couté, Executive Vice President, Strategy
- Jean-Paul Jainsky, Chairman and CEO, Morpho
- Pierre Fabre, Chairman and CEO, Snecma
- Jean-Pierre Cojan, Executive Vice President, Snecma
- Éric Bachelet, Corporate Senior Vice President, Research & Technology
- Jean-Luc Bérard, Corporate Senior Vice President, Human Resources
- Yves Leclère, Executive Vice President, Transformation
- Alain Sauret, Chairman and CEO, Messier-Bugatti-Dowty
- Dominique-Jean Chertier, Deputy Chief Executive Officer, Corporate Office
- Ross McInnes, Deputy Chief Executive Officer, Finance
- Marc Ventre, Deputy Chief Executive Officer, Operations
- Jean-Paul Herteman, Chairman and CEO
- Jean-Lin Fournereaux, Corporate Senior Vice President, Space

**CORPORATE OFFICERS**

- Vincent Mascré, Chairman and CEO, Aircelle
- Philippe Schleicher, Chairman and CEO, Labinal
- Alain Sauret, Chairman and CEO, Messier-Bugatti-Dowty
- Dominique-Jean Chertier, Deputy Chief Executive Officer, Corporate Office
- Jean-Paul Jainsky, Chairman and CEO, Morpho
- Pierre Fabre, Chairman and CEO, Snecma
- Jean-Pierre Cojan, Executive Vice President, Snecma
- Yves Leclère, Executive Vice President, Transformation
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- Olivier Petitcolin, President, Defense-Security
- Karen Bomba, Chairman and CEO, Sagem
- Bruno Couté, Executive Vice President, Strategy
- Alain Sauret, Chairman and CEO, Messier-Bugatti-Dowty
- Ross McInnes, Deputy Chief Executive Officer, Finance
- Marc Ventre, Deputy Chief Executive Officer, Operations
- Jean-Paul Herteman, Chairman and CEO
- Jean-Lin Fournereaux, Corporate Senior Vice President, Space
Three committees prepare the Board’s deliberations and submit proposals for consideration by the Board.

**BOARD OF DIRECTORS**

The Safran Board of Directors comprises 15 members, including four representatives of the French government and two employee shareholder representatives. A third of the members are independent directors with expertise and international experience in Safran’s strategic business sectors.

**Strategic and Major Projects Committee**

The Strategy and Major Projects Committee issues opinions and submits recommendations to the Board of Directors on the Group’s major strategic objectives and the development policy.

Committee members: Francis Mer (Chairman), Giovanni Bisignani, Christophe Burg, Odile Desforges, Xavier Lagarde, Astrid Milsan, Laure Reinhart.

**Audit and Risk Management Committee**

The Audit and Risk Management Committee examines financial statements and provides follow-up on questions concerning the generation and control of financial and accounting data. In addition, it oversees the efficiency of the company’s internal control and risk management systems.

Committee members: Jean-Marc Forneri (Chairman), Elisabeth Lulin, Astrid Milsan, Michèle Rousseau.

**Nomination and Remuneration Committee**

The Nomination and Remuneration Committee assists the Board in selecting its members and corporate officers, and draws up recommendations concerning the compensation of corporate officers.

Committee members: Michel Lucas (Chairman), Giovanni Bisignani, Christophe Burg, Francis Mer, Astrid Milsan.

Safran Board of Directors

Jean-Paul Herteman, Chairman and CEO
Francis Mer, Vice Chairman of the Board of Directors
Marc Aubry
Giovanni Bisignani
Christophe Burg
Jean-Lou Chameau
Odile Desforges
Jean-Marc Forneri
Christian Halary
Xavier Lagarde
Michel Lucas
Elisabeth Lulin
Astrid Milsan
Laure Reinhart
Michèle Rousseau
Caroline Grégoire-Sainte Marie
Board advisor

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SALES BY BUSINESS SECTOR
Safran benefitted from its leadership positions in aerospace: sales in the propulsion business rose 14.6%, while aircraft equipment sales increased 19.2%. The Group’s avionics (Defence) business grew, and sales by the security business jumped nearly 24%, in large part through acquisitions.

RECURRING OPERATING INCOME
Safran posted adjusted recurring operating income of 1,471 million euros, a rise of 23.7% and equal to 10.8% of adjusted sales. The Group continued to improve its competitiveness, in terms of both industrial performance and structural costs.

NET INCOME – GROUP SHARE
The Group share of adjusted net income jumped 55% in 2012 over 2011, reaching 999 million euros, or 2.41 euros per share, compared with 644 million euros and 1.59 euros per share in 2011.

INCREASE IN R&D EXPENDITURES
Safran’s R&D spending equals about 12% of sales. The growth in this figure is primarily due to the development of two aero-engine families: LEAP for single-aisle commercial jets, and Silvercrest for business jets.

INCREASE IN CAPITAL EXPENDITURES
Safran is investing in new technologies and expanding capacity to keep pace with higher production rates and modernize its industrial facilities. The Group spent 1.8 billion euros in 2012, an increase of 19%.

RECORD PERFORMANCE, WITH A SHARP JUMP IN EARNINGS AND CASH FLOW
Sales for the year increased 15.5% (8.6% on an organic basis), mainly reflecting the performance of Safran’s aviation and security businesses. Sales benefitted from higher original equipment sales volumes in avionics, a rise in commercial aircraft engine support business, the resilience of our defense business (avionics) and dynamic growth in the security market (biometric identification, e-documents).
Safran booked 18.1 billion euros worth of orders in 2012, increasing the order book by 5.5 billion euros to a total of 48.5 billion euros at the end of the year. This figure does not include the future business generated by CFM56 spare parts and services, when supplied on the basis of a Time & Material contract. The service business will generate significant revenues and margins over the coming decades.

**OUTLOOK FOR 2013**
(based on an estimated average exchange rate of USD 1.29/€1.00, and at a hedging rate of USD 1.29/€1.00)

Safran forecasts an increase in adjusted sales of about 5%, and a further increase in adjusted recurring operating income, of nearly 15%. Free cash flow should equal nearly 40% of the adjusted recurring operating income.

“We will resolutely continue our long-term investments in state-of-the-art technologies and innovative products. We are especially confident that our results will continue to grow in 2013 and beyond.”

Jean-Paul Herteman, commenting on the annual results for 2012, on February 21, 2013

Net debt (millions of euros)
Safran generated 564 million euros in free cash flow in 2012, equal to 38% of the adjusted recurring operating income. The Group’s ability to increase its free cash flow throughout 2012 reduced its debt load. Safran had net debt of 932 million euros at December 31, 2012, versus 997 million euros a year earlier. This is still a relatively low level of debt, given the Group’s strategic acquisitions in the Defense and Security sectors, worth nearly 200 million euros, and a dividend payout of 283 million euros. At December 31, 2012 Safran had cash and cash equivalents of 2.2 billion euros, as well as confirmed and non-drawn credit facilities for 2.55 billion euros.

**ANOTHER RECORD YEAR FOR CFM**

Firm orders and commitments for the CFM56 and LEAP engines reached 9,943 at the end of the year, this figure is equal to about seven years of production at current rates.

**FIRST SAFRAN ISSUE IN US PRIVATE BOND MARKET A SUCCESS**
In February 2012, Safran issued bonds worth USD 1.2 billion, in particular to refinance recent acquisitions in the United States over a longer period.

**RECORD ORDER BOOK** (billions of euros)
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**GE’S REMAINING STAKE IN MORPHO DETECTION, INC. (MDI) ACQUIRED FOR 90 MILLION EUROS**
Morpho (Safran) now owns 100% of Morpho Detection, Inc., which signed a five-year non-exclusive indefinite delivery/indefinite quantity contract with the US Transportation Security Administration (TSA) in 2012, worth up to USD 528 million.

**NET DEBT (millions of euros)**
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THREE MEETINGS WITH SHAREHOLDERS

Along with the traditional Annual General Meeting in Paris, Safran organized two individual shareholder meetings outside of Paris for the first time in 2012, in Marseille and Strasbourg. Shareholders greatly appreciated these opportunities to discuss the Group’s news, results and strategic development objectives, and meetings will be organized again in 2013.

INTRODUCING OUR PRODUCTION PLANTS

On December 11, 2012, about 15 shareholders visited the Messier-Bugatti-Dowty (Safran) plant in Molsheim, eastern France. This historic site, founded back in 1909, now includes a wheel and brake production facility and a repair center spanning some 25,000 square meters. Safran organizes a half-dozen visits of this type every year throughout France to enable individual shareholders to discover the diversity of our businesses.

DIVIDEND PER SHARE

The payment of a dividend of €0.96/share was submitted for a vote by the Annual General Meeting of Shareholders on May 28, 2013. This dividend, which since 2007 corresponds to a payout rate of 40%, also represents an increase of 55% over 2011. An interim payment of €0.31 per share was paid in December 2012, with the balance of €0.65/share to be paid as from June 6, 2013.

SHAREHOLDING

BOLSTERING RELATIONS WITH SHAREHOLDERS

CAPITAL SHAREHOLDING STRUCTURE

at December 31

Changes in the Group’s shareholding structure spotlight the increase in its float (publicly held shares), which has grown from 36.9% to 54% in four years, and strengthened the liquidity of the Safran share. The significant number of employee shareholders, which boosts employee motivation and loyalty, is also a factor in ensuring the Group’s stability.

SAFRAN SHARE

The Safran share is listed in Compartment A of Euronext Paris, and is eligible for Deferred Payment Service (SRD).

Name: SAFRAN
ISIN code: FR0000073272
Abbreviation: SAF
Index: CAC 40

SAFRAN SHARE PRICE

January 1, 2008 to February 28, 2013

€35.08
+150%

3,723 points
-33.7%
A WORLD LEADER IN AEROSPACE PROPULSION AND AIRCRAFT EQUIPMENT

BUSINESS SECTORS

AEROSPACE PROPULSION

CIVIL AND MILITARY AIRCRAFT ENGINES

SINGLE-AISLE COMMERCIAL JETS: With the CF34, Safran and partner GE hold world leadership in the market for engines powering mainline commercial jets (over 100 seats). Along with Avio, Safran is prime contractor for the Airbus A320neo, Boeing 737 MAX and Comac C919.

REGIONS AND BUSINESS AIRCRAFT: Safran is developing Silvercrest, a new-generation jet engine for large, long-range business aircraft. Along with NHI, Safran is also prime contractor for the Safilo, which powers the Saab 500 regional jet.

MILITARY AIRCRAFT: Safran produces the TF400 turboprop engine (Airbus A400M transport), as well as the jet engines M88 (Rafale) and M53 (Mirage 2000), and the Larzac and Adour engines respectively for the Eurocopter Tiger and the HAL Dhruv, and the engines for the Eurocopter EC175, EC135, and EC120.

MILITARY AIRCRAFT: Safran is developing the Arrius 2R2 for new-generation military helicopters. Its successor, LEAP, has already been chosen for the Boeing 737 MAX.

HEAVY HELICOPTERS: Safran is developing the Ardiden 3 for new-generation military helicopters.

LIGHT/MEDIUM HELICOPTERS: Safran offers two main families of engines for this helicopter class, Arris and Arriel, powering a number of civil and military helicopters made by Eurocopter, Sikorsky, and Babcock. Safran is also developing the Arquus 3 for Europe’s new generation tactical helicopters.

MEDIUM HELICOPTERS: Safran provides the engines for the Eurocopter Tiger and the NH Industries NH90, AgustaWestland (AW101) and Boeing (Nh 90). Safran is also prime contractor for the NH90, which powers the Saab 500 regional jet.

HEAVY HELICOPTERS: Safran is developing the Makila and RTM322 turboshaft engines powering heavy helicopters by NHI (Hindustan Aeronautics Ltd.) Dhruv, and the engines for the Eurocopter Tiger and the HAL Dhruv.

MEDIUM HELICOPTERS: Safran is also developing the Arrano engine for Eurocopter’s new generation military helicopters.

LANDING AND BRAKING SYSTEMS

LANDING GEAR: Safran designs, produces and supports landing gear for civil and military fixed and rotary-wing aircraft of all sizes. These systems are used on many of today’s most prestigious business and regional jets, such as the Dassault Falcon 7X and 8X, the Boeing 787, the Eurofighter Typhoon, F-18, etc. Safran also designs and supports landing gears for civil and military fixed and rotary-wing aircraft of all sizes.

WHEELS AND BRAKES: Safran designs, produces and supports wheels and carbon brakes, in particular for the Airbus A320 and A350 XWB, Boeing 737 Next Generation, 767, 777 and 787.

NACELLES AND THRUST REVERSERS: Safran provides these items for mainline, regional and business aircraft. In the sole-nacelle systems category, Safran is a leading integrator for the engines on the Airbus A380. Safran is also developing nacelles (mainly for Airbus) and is developing nacelles integrated landing systems, including the landing gear, gear extension and retraction system, wheels and brakes and other equipment.

ENGINE SYSTEMS AND EQUIPMENT

ENGINE SYSTEMS AND EQUIPMENT

POWER TRANSMISSIONS: Safran designs, produces and supports mechanical power transmissions for civil and military fixed and rotary-wing aircraft engines, including the Airbus A320, A330/340, A350 XWB and A400M, the Boeing 737 and 777, Rada, Eurocopter EC175, Gulfstream G650, etc.

ELECTRICAL INTERCONNECTION SYSTEMS: Safran designs, produces and supports the installation of electrical wiring harnesses and cabinets, especially for Airbus and Boeing. Safran is also active in civil and military transport and rotary-wing aircraft. Safran has developed many interconnectors for the Airbus A380 and is currently working on the Airbus A400M and Bombardier CSeries.

ELECTRICAL SYSTEMS AND ENGINEERING

ELECTRICAL SYSTEMS AND ENGINEERING

LAUNCHERS: Safran produces the Vulcain 2 and HM7B cryogenic engines for the main and upper stages, respectively, on the Ariane 5E and Ariane 6 launchers. Along with Ariane, Safran is prime contractor for the P80 solid rocket motor on the Ariane 5 launcher.

SATELLITE TURBOPUMP: Safran produces all types of turbopump systems for satellites, including the HMT E-500 for Ariane 5E and Ariane 6.

SATELLITES: Safran provides plasma thrusters for satellites (such as the PPS®1350 for Alphasat), as well as plasma propulsion systems, and is developing a range of thrusters with power ratings from 300 W to 20 kW. Safran also makes thrusters for satellites (such as the PPS®1350 for Alphasat), as well as plasma propulsion systems, and is developing a range of thrusters with power ratings from 300 W to 20 kW.

ELECTRICAL INTERCONNECTION SYSTEMS: Safran designs, produces and supports the installation of electrical wiring harnesses and cabinets, especially for Airbus and Boeing. Safran is also active in civil and military transport and rotary-wing aircraft. Safran has developed many interconnectors for the Airbus A380 and is currently working on the Airbus A400M and Bombardier CSeries.

ENGINEERING: Major players in the aerospace and land transport sectors call on Safran’s expertise in electrical systems, aerostructures, mechanical systems and safety-critical software.

LANDING AND BRAKING SYSTEMS

LANDING GEAR: Safran designs, produces and supports landing gear for civil and military fixed and rotary-wing aircraft of all sizes. These systems are used on many of today’s most prestigious business and regional jets, such as the Dassault Falcon 7X and 8X, the Boeing 787, the Eurofighter Typhoon, F-18, etc. Safran also designs and supports landing gears for civil and military fixed and rotary-wing aircraft of all sizes.

WHEELS AND BRAKES: Safran designs, produces and supports wheels and carbon brakes, in particular for the Airbus A320 and A350 XWB, Boeing 737 Next Generation, 767, 777 and 787.

NACELLES AND THRUST REVERSERS: Safran provides these items for mainline, regional and business aircraft. In the sole-nacelle systems category, Safran is a leading integrator for the engines on the Airbus A380. Safran is also developing nacelles (mainly for Airbus) and is developing nacelles integrated landing systems, including the landing gear, gear extension and retraction system, wheels and brakes and other equipment.

ENGINE SYSTEMS AND EQUIPMENT

POWER TRANSMISSIONS: Safran designs, produces and supports mechanical power transmissions for civil and military fixed and rotary-wing aircraft engines, including the Airbus A320, A330/340, A350 XWB and A400M, the Boeing 737 and 777, Rada, Eurocopter EC175, Gulfstream G650, etc.

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EUROPEAN LEADER IN OPTRONIC SYSTEMS
WORLD LEADER IN BIOMETRIC IDENTIFICATION

DEFENSE

OPTRONICS

SOLDIER MODERNIZATION: Safran is prime contractor for the EDL’s integrated equipment suite, designed to enhance observation, communications, mobility and support functions for soldiers on the move.

OPTRONICS AND SIGHTS: Safran produces state-of-the-art optoelectronic systems and equipment, and developing solutions for land vehicles, aircraft and submarines.

DRONES: Safran produces the Sparrow tactical drone system, is developing the Predator™ system, and applies all enabling technologies for these unmanned aerial systems.

HIGH-PERFORMANCE OPTICS: Safran is the world leader in high-performance optics for space, supplying systems and equipment for the Helios, leader in high-performance optics for space, and is developing some of the systems for Eurocopter’s new-generation X4 helicopter.

NAVIGATION AND SENSORS: Safran offers a wide range of inertial and hybrid navigation systems for submarines, surface vessels, ground combat vehicles, aircraft, missiles and satellites.

SEEKERS AND GUIDANCE: Safran provides the seeker for the Lunar and MEA-D missiles, and is developing the seeker for the upcoming HARP远程-range missiles, under prime contract by MBDA. Safran, a prime contractor for the AXM (aeroplane air-ground) weapon, already in service on the Rafale fighter.

FLIGHT CONTROL SYSTEMS: The world leader in flight control systems for helicopters, Safran is developing some of the systems for Eurocopter’s new-generation Argo."


Our core markets – aerospace, defense and security – are global. Safran has therefore set up a truly global industrial organization to provide local support to all customers, while expanding our reach and underpinning our competitiveness. We remain profoundly attached to our home territory, where two-thirds of our people work. We continue to develop strategic research and production capabilities in France, thanks to sustained capital expenditures.

**62,500 EMPLOYEES WORLDWIDE**

**EUROPE**
- France: 38,000
- United Kingdom: 2,100
- Belgium: 1,500
- Germany: 1,100
- Russia: 300
- Other: 1,600

**AFRICA & MIDDLE EAST**
- Morocco: 2,100
- United Arab Emirates: 100
- Other: 50

**ASIA–PACIFIC**
- India: 1,500
- China: 900
- Singapore: 500
- Australia: 200
- Other: 100

**NORTH AMERICA**
- United States: 5,800 (80% of the total workforce)
- Mexico: 4,100
- Canada: 1,100

**SOUTH AMERICA**
- Brazil: 850
- Mexico: 4,100
- Other: 350

**TOTAL EMPLOYEES**
- 54,300 (2010)
- 59,800 (2012)
- +4.6%

**EMPLOYEES BY JOB TYPE**
- Production: 50%
- R&D: 21%
- Other: 29%

**NORTH AMERICA**
- United States: 5,800
- Mexico: 4,100
- Canada: 1,100

**SOUTH AMERICA**
- Brazil: 850
- Mexico: 4,100
- Other: 350

**AFRICA & MIDDLE EAST**
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KEY MISSIONS, KEY TECHNOLOGIES, KEY TALENTS