



3/27/2017

2017 Long Term “Incentive” Plan
Grant of performance shares to the Chief Executive Officer

Upon the recommendation of the Appointments and Compensation Committee, at its meeting on March 23, 2017, the Board of Directors decided a grant of performance shares to certain senior managers and executives of the Group, which aims to recognize contributions to Safran's operating performance and the creation of shareholder value, measured over several years.

As part of this 2017 Long Term “Incentive” Plan, the Board of Directors decided to grant 27,165 Performance Shares to Philippe Petitcolin, Chief Executive Officer, representing less than 5 % of the total grant and 0.007 % of the current issued capital.

The total amount of Performance Shares granted to the Chief Executive Officer is subject to achieving internal and external performance conditions. The number of shares to be definitively delivered at the end of a three-year vesting period will depend on the level of achievement of these conditions over the period 2017-2019. Following this vesting period, a one year lock-up will apply to the performance shares that would be delivered to the Chief Executive Officer.

The two internal performance conditions, counting for 70% of the total vested shares, will be based on ROI¹ for 35% and FCF¹ for 35%. The external performance condition, counting for 30% of the total vested shares, will be based on Safran's total shareholder return (TSR) performance as measured relative to a group of peer companies operating in the same business sectors as Safran.

The description of these conditions (lowest achievement level, target achievement level, highest achievement level (cap)) and other main terms presented at the Shareholder's Meeting held on May 19, 2016 which authorized the Board of Directors such grants, are disclosed in Safran's Registration Documents.

The Board of Directors also confirmed that, after the one year lock-up mentioned above and until the end of his office, the Chief Executive Officer will be required to keep 40% of performance shares definitively delivered under such grants, until such shares kept represent an amount equivalent to one year of his last fixed compensation.

¹as defined in section 6.3.1.1 of the 2015 Registration Document