

**2019 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 27, 2019, 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 2019 Long Term “Incentive” Plan, the Board of Directors decided to grant 13,350 performance shares to Philippe Petitcolin, Chief Executive Officer, representing less than 5 % of the total grant and complies with the compensation policy<sup>(1)</sup> approved by the May 25, 2018 Shareholders' Meeting.

The total amount of performance shares granted to the Chief Executive Officer is subject to achieving internal and external performance conditions. The number of performance 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 2019-2021. Following this vesting period, a one year lock-up will apply to the performance shares that would be delivered to the Chief Executive Officer.

Internal standard performance conditions (counting for 70%):

- The two standard internal performance conditions, counting for 70% of the total vested shares, are based on ROI<sup>(2)</sup> for 50% and FCF<sup>(2)</sup> for 50%.

External performance condition – TSR (counting for 30%):

- The external performance condition, counting for 30% of the total vested shares, is based on Safran's total shareholder return (TSR) performance as measured relative to a composite index allowing a comparison simultaneously with both the European and American sectorial markets and with the French market reference index. It is composed of:
  - The STOXX® Europe TMI Aerospace and Defense index (Stoxx A&D Net Return),
  - The S&P Aerospace and Defense Industry Select index (S&P A&D),
  - The CAC 40 index (CAC 40 Gross Return),each counting for one third of the composite index.

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 25, 2018 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.

*(1) The number of performance shares granted to the Chief Executive Officer may not represent more than the equivalent of 120% of this annual fixed compensation, based on the accounting value, in accordance with IFRS 2, estimated prior to the grant.*

*(2) As mentioned in section 6.6.1.4 of the 2018 Registration Document.*

## 2016 Long Term Incentive Plan

### Level of achievement of performance conditions

At its meeting on July 28, 2016, the Board of Directors had decided to grant 27,390 performance shares to Philippe Petitcolin, Chief Executive Officer, as part of the 2016 Long Term Incentive Plan.

The number of performance shares to be definitively delivered at the end of a three-year vesting period depended on the level of achievement of internal (ROI and FCF) and external (TSR) performance conditions over the period 2016-2018.

Upon the recommendation of the Appointments and Compensation Committee, at its meeting on March 27, 2019, the Board of Directors reviewed the level of achievement of this plan's performance conditions, set at an overall rate of 75.54%, corresponding to:

- ROI (weighting for 35%): 107.8% achievement, triggering vesting of 86% of the shares contingent on that condition,
- FCF (weighting for 35%): 105.8 % achievement, triggering vesting of 85% of the shares contingent on that condition,
- TSR (weighting for 30%): 2.49 point higher than that of the reference panel, triggering vesting of 52.5% of the shares contingent on that condition

Consequently, 20,691 shares will be delivered to the Chief Executive Officer at the end of the vesting period (number of rights initially granted x level of achievement of performance conditions).

It is reminded that, for the Chief Executive Officer, the vesting period is followed by a one-year lock-up (i.e., performance shares will be delivered on July 30, 2019 and will become transferable on July 31, 2020).