



## **Related-party agreement of July 22, 2022 between Safran, Airbus SE, Tikehau ACE Capital, AD Holding and the French State, on Aubert & Duval SAS' sensitive assets**

The acquisition of 100% of the share capital and voting rights of Aubert & Duval SAS (hereinafter "AD SAS") held by Eramet SA is underway, through a holding company (hereinafter "AD Holding") owned by a consortium composed of Safran, Airbus SE and Tikehau Ace Capital.

AD SAS and its subsidiaries directly or indirectly hold assets that are directly related to protecting the French State's strategic interests in materials that are essential for national defense needs in the aviation, naval, land and nuclear sectors and, in particular, preserving innovative, design and production capacities, as well as securing the supply of such materials.

Accordingly, the French State intends, at the latest upon completion of the acquisition of the AD SAS share capital by AD Holding and in order to protect France's essential interests, to set up a specific share within AD SAS (the "Specific Share"), which will replace the specific share within Eramet SA<sup>1</sup>.

Furthermore, it has been agreed between Safran, Airbus SE, Tikehau Ace Capital and the French State (collectively the "Parties") that an agreement (the "AD Agreement") is necessary for the Specific Share, in order to ensure full protection of France's national interests and therefore the continuity of AD SAS' sovereignty-related operations and give the French State:

- control over the ownership and, where applicable, the devolution of all or part of the sensitive defense assets defined by the AD Agreement; and
- rights of representation on the governing bodies of AD Holding and, where applicable, AD SAS.

In particular, the AD Agreement provides for:

### *Protection scope:*

- assets identified as sensitive defense assets that are essential for national defense needs in the aviation, naval, land and nuclear sectors;
- shares in AD Holding, AD SAS and its subsidiaries, as well as interests held directly or indirectly by AD SAS, or any company to which its rights and obligations are transferred, if said company holds or operates an asset identified as a sensitive defense asset ("Protected Sector Interests").

### *On corporate governance matters:*

- the French State shall be entitled to appoint a non-voting representative to the Board of Directors of AD Holding and, where applicable, the Board of Directors of AD SAS if there is one.

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<sup>1</sup> Specific share set up within Eramet SA by Decree no. 2022-206 of February 18, 2022 covering the sensitive assets of AD SAS or any company to which its rights and obligations are transferred, or one of the subsidiaries that it controls within the meaning of Article L. 233-3 of the French Commercial Code (Code de commerce).

*On sensitive assets and entities holding such assets:*

- the French State shall have a prior right of approval over:
  - any proposal to sell sensitive defense assets to a third party,
  - any proposal from a third party to purchase shares in AD Holding, AD SAS, its subsidiaries and Protected Sector Interests,
  - any proposal to sell all or part of the interest held by AD Holding in AD SAS to a third party,
  - any proposal to confer rights on a third party for the purpose of transferring expertise, technology or intellectual property rights related to a sensitive defense asset or to confer rights of representation on the administrative or management bodies of AD Holding or AD SAS.

Failure by the French State to respond within one month (renewable once) shall be deemed to constitute agreement, without prejudice to the application of the provisions of the Specific Share;

- the French State shall be informed beforehand of any proposal to change the allocation of the AD Holding share capital between Airbus, Safran SA and Tikehau Ace Capital or of any proposal to restructure AD Holding or AD;
- if the French State establishes that AD Holding or AD SAS has failed to comply with the essential obligations undertaken in respect of the French State in the AD Agreement (in particular, failure to comply with the above-mentioned right of approval or the rights linked to the Specific Share), and that such non-compliance continues for more three months after notification is received from the French State, the French State may acquire all or part of the sensitive defense assets at a price to be set by a panel of experts.

The AD Agreement was authorized by Safran's Board of Directors on February 23, 2022 (the representative of the French State and the Director put forward by the French State did not take part in the vote).

It was signed on July 22, 2022 and will come into effect on the date on which the acquisition of AD SAS by AD Holding is completed, subject to said completion.

It will be submitted for shareholder approval at Safran's Ordinary Shareholders' Meeting to be held in 2023 to approve the financial statements for the year ending December 31, 2022.

**Persons concerned on the date of signature of the agreement:**

Stéphanie Besnier, representative of the French State

Vincent Imbert, Director put forward by the French State

The French State (shareholder holding more than 10% of Safran's capital and voting rights)

*(See sections 6.2.3 and 7.3.1 of the 2021 Universal Registration Document).*