2023
NOTICE OF MEETING

Shareholders' Meeting
(ordinary and extraordinary)

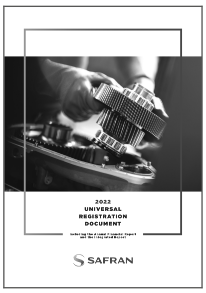
THURSDAY, MAY 25, 2023
at 2.00 p.m.

at the Safran Campus
32, rue de Vilgénis – 91300 Massy, France

SAFRAN

CONTENTS

The Universal Registration Document is available on the website at safran-group.com



Message from the Chairman of the Board of Directors

ROSS McINNES

CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Shareholders,

I am pleased to invite you to Safran's Annual General Meeting, which will take place on Thursday, May 25, 2023 at 2.00 p.m. at the Safran University Campus in Massy, France.

The Meeting is a valuable opportunity for information, discussion and dialogue. Olivier Andriès and I will present a review of the main highlights of 2022 and the Group's financial performance during the year, together with the outlook for 2023. We will also take a look at the main challenges of the Group's corporate social responsibility (CSR) policy.

Monique Cohen, Lead Independent Director, will present an overview of the components of compensation for each category of corporate officer and the related compensation policies.

Olivier Andriès and Patrick Pélata, Director responsible for monitoring climate issues, will discuss Safran's climate strategy – the program, the commitments and the associated action plans, as well as the achievements in 2022. Their presentation will be followed by a Q&A session focusing specifically on Safran's climate strategy.

Before the vote on the resolutions, you will also have the opportunity to ask questions on any other subject, which will be answered during a dedicated part of the Meeting.

In the following pages, you will find practical information on how to participate in the Meeting, the agenda and the text of the resolutions submitted to your vote.

If you are unable to attend the Meeting in person, you may vote by post or online, or give proxy to the Chairman of the Meeting or to any other person of your choice.

On behalf of the Board of Directors, I would like to thank you in advance for taking the time to read this notice of meeting, for attending the Meeting and for your loyalty to Safran. I look forward to seeing you on May 25.

Best regards,

Ross McInnes

Participating in the Meeting

Protective overbraiding of an aerospace harness

HOW TO PARTICIPATE IN THE MEETING

The Annual General Meeting will be held on **May 25, 2023 at 2:00 p.m. (CET) at the Safran Campus** – 32, rue de Vilgénis, 91300 Massy (France).

Shareholders are invited to regularly check the 2023 Annual General Meeting section of the Company's website (**https://www.safran-group.com/finance/annual-general-meeting**). This section will be updated on a regular basis in the event of changes in the procedures for participating in the Annual General Meeting.

The Annual General Meeting will be broadcast live and the video replay will be available on the Company's website.

Ways of participating in the Meeting

All shareholders are entitled to participate in the Meeting, whether in person, by proxy or by casting a postal or online vote, regardless of the number of shares owned, in accordance with French law.

In accordance with Article R. 22-10-28 of the French Commercial Code *(Code de commerce),* in order for shareholders to cast a vote or appoint a proxy, their shares must be registered in their name or in the name of an authorized intermediary on their behalf no later than midnight (CET) on the second business day preceding the Meeting (i.e., Tuesday, May 23, 2023) as follows:

- for **REGISTERED or ADMINISTERED REGISTERED** shares: in the Company's share register managed by Uptevia;
- for **BEARER** shares: in a securities account managed by an authorized intermediary, as provided for in Article L. 211-3 of the French Monetary and Financial Code *(Code monétaire et financier).*

The recording of shares in bearer share accounts managed by an authorized intermediary must be certified by a share ownership certificate issued by the latter. This certificate, drawn up in your name or in the name of the registered intermediary acting on your behalf, should be attached to the proxy/postal voting form or to the admittance card request.

All Safran shareholders may, prior to the Meeting, request an admittance card, register their voting instructions or appoint/revoke a proxy online, via the Votaccess secure voting platform.

The Votaccess secure voting platform will be open from noon (CET) on **Monday, May 8, 2023**. The deadline for requesting an admittance card, voting and appointing/revoking a proxy online is **3.00 p.m. (CET) on Wednesday, May 24, 2023.**

How to exercise your voting rights

Shareholders may exercise their voting rights in any of the following ways:

A: they may attend the Meeting in person;

B: they may give proxy to the Chairman of the Meeting or send a proxy form to the Company without specifying a representative, in which case the Chairman of the Meeting will vote to adopt the proposed resolutions presented or approved by the Board of Directors and vote against all other proposed resolutions;

C: they may vote by post or register their voting instructions online;

D: they may give proxy to another shareholder, their spouse, their partner with whom they have entered into a civil union or any other individual or legal entity of their choice in accordance with the provisions of Article L. 22-10-39 of the French Commercial Code.

The Votaccess secure voting platform will be open from noon (CET) on May 8, 2023 until 3.00 p.m. (CET) on May 24, 2023.

Shareholders are advised not to wait until the day before the Meeting to register their voting instructions, in order to avoid the overloading of the voting platform.

IMPORTANT

Once you have cast a postal or online vote, appointed a proxy or requested an admittance card, you will not be able to participate in the Meeting in another way.

A – You wish to attend the Meeting in person

By post	**HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES**	Holders of registered or administered registered shares wishing to attend the Meeting in person should complete the proxy/postal voting form attached to the notice of meeting (checking the box corresponding to their choice) and send it in the enclosed prepaid envelope or by letter addressed to Uptevia, Service Assemblées Générales, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France. Duly completed and signed proxy/postal voting forms must reach Uptevia at least three days before the date of the Meeting (i.e., **no later than Monday, May 22, 2023**). You will receive your admittance card by return mail. If you do not receive your admittance card in time, you will still be able to attend the Meeting subject to providing proof of identity. In the event that you have not received your admittance card the day before the Meeting, you can also call one of the following numbers: 0 826 100 374 (France only) or +33 1 57 43 75 00 (outside France), to obtain your admittance card number, which will facilitate entry to the Meeting on the day.
	HOLDERS OF BEARER SHARES	Holders of bearer shares wishing to attend the Meeting in person should request a share ownership certificate from their authorized intermediary. The latter will forward the certificate to Uptevia, Service Assemblées Générales, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France, which will then send you an admittance card by post. If you do not receive your admittance card by midnight (CET) on the second business day preceding the Meeting (i.e., **Tuesday, May 23, 2023**), you should ask your authorized intermediary to issue you with a certificate proving that you own the shares and are therefore entitled to attend the Meeting.

Online	**HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES**	Holders of registered and administered registered shares may request an admittance card online **no later than 3.00 p.m. (CET) on May 24, 2023**, via the Votaccess secure platform, which can be accessed from the Planetshares website at **https://planetshares.uptevia.pro.fr.** Holders of **registered shares** should log on to the Planetshares website with the username and password they use to access their share account. Holders of **administered registered shares** should log on to the Planetshares website with the username that appears in the top right of the voting form attached to the convening notice. In the event that you misplace or forget your username and/or password, please call one of the following numbers: 0 826 100 374 (France only) or +33 1 57 43 75 00 (outside France). After logging on, registered and administered registered shareholders should follow the on-screen instructions to reach Votaccess, where they can request an admittance card online.
		Shareholders (holders of registered or administered registered shares and holders of bearer shares) may request an admittance card online: ■ the admittance card will be sent either by email or by post, at your discretion; ■ you can also download and print your admittance card online.
	HOLDERS OF BEARER SHARES	Holders of bearer shares should find out whether their custodian is connected to the Votaccess platform and, if so, whether this access is subject to specific terms and conditions. Only holders of bearer shares whose custodian is connected to Votaccess can request an admittance card online. **If your custodian is connected to Votaccess**, you should log on to your custodian's website with your usual username and access code. You should then click on the icon that appears on the line corresponding to your Safran shares and follow the on-screen instructions to reach Votaccess and request an admittance card, **no later than 3.00 p.m. (CET) on May 24, 2023**.

B – You wish to give proxy to the Chairman of the Meeting or send a proxy form to the Company without specifying a representative

The Chairman of the Meeting will vote to adopt the proposed resolutions presented or approved by the Board of Directors and vote against all other proposed resolutions.

By post	**HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES**	Holders of registered or administered registered shares wishing to give proxy to the Chairman of the Meeting should complete and sign the proxy/postal voting form attached to the notice of meeting (checking the box corresponding to their choice) and send it in the enclosed prepaid envelope or by letter addressed to Uptevia, Service Assemblées Générales, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France. Duly completed and signed proxy/postal voting forms must reach Uptevia at least three days before the date of the Meeting (i.e., **no later than Monday, May 22, 2023**).
	HOLDERS OF BEARER SHARES	Holders of bearer shares wishing to give proxy to the Chairman of the Meeting may request a proxy/postal voting form from their authorized intermediary. This request must be received by the authorized intermediary no later than six days before the date of the Meeting (i.e., **Friday, May 19, 2023**). The authorized intermediary will then send the duly completed and signed form along with a share ownership certificate to Uptevia.

Online	**HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES**	Holders of registered or administered registered shares can give proxy to the Chairman of the Meeting online via Votaccess by logging on to the Planetshares website at **https://planetshares.uptevia.pro.fr.** Holders of **registered shares** should log on to the Planetshares website with the username and password they use to access their share account, **no later than 3.00 p.m. (CET) on May 24, 2023**.
	HOLDERS OF BEARER SHARES	Holders of bearer shares whose **custodian is connected to Votaccess** should log on to their custodian's website with their usual username and access code. You should then click on the icon that appears on the line corresponding to their Safran shares and follow the on-screen instructions, **no later than 3.00 p.m. (CET) on May 24, 2023**.

C – You wish to cast a postal or online vote

By post	**HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES**	Holders of registered or administered registered shares wishing to cast a postal vote should complete and sign the proxy/postal voting form attached to the notice of meeting (checking the box corresponding to their choice) and send it in the enclosed prepaid envelope or by letter addressed to Uptevia, Service Assemblées Générales, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France. Duly completed and signed proxy/postal voting forms must reach Uptevia at least three days before the date of the Meeting (i.e., **no later than Monday, May 22, 2023**).
	HOLDERS OF BEARER SHARES	Holders of bearer shares wishing to cast a postal vote may request a proxy/postal voting form from their authorized intermediary. This request must be received by the authorized intermediary no later than six days before the date of the Meeting (i.e., **Friday, May 19, 2023**). The authorized intermediary will then send the duly completed and signed form along with a share ownership certificate to Uptevia.

Online	**HOLDERS OF REGISTERED SHARES**	Holders of registered shares should log on to Votaccess with the username and password they use to access their registered share account on the Planetshares website at **https://planetshares.uptevia.pro.fr**, **no later than 3.00 p.m. (CET) on May 24, 2023**. All holders of registered shares have a Planetshares account, even if they have not yet used it. They can log on to their account with the username and access code that appear on their annual statement. Shareholders are invited to verify, as soon as possible, that they can access their account.
	HOLDERS OF ADMINISTERED REGISTERED SHARES	Holders of administered registered shares should log on to the Planetshares website with the username that appears in the top right of the voting form attached to the convening notice, **no later than 3.00 p.m. (CET) on May 24, 2023**. All holders of administered registered shares have a Planetshares account, even if they have not yet used it. Shareholders are invited to verify, as soon as possible, that they can access their account. They can log on to their account with the username and access code that appear in the top right of the voting form attached to the convening notice. If you experience any difficulties, please call one of the following numbers: 0 826 100 374 (France only) or +33 1 57 43 75 00 (outside France), or submit a request via the contact form (envelope icon in the top right) on the Planetshares homepage (**https://planetshares.uptevia.pro.fr**).
	HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES	In the event that you misplace or forget your username, access code and/or password to log on to the Planetshares website, please call one of the following numbers: 0 826 100 374 (France only) or +33 1 57 43 75 00 (outside France), or submit a request via the contact form (envelope icon in the top right) on the Planetshares homepage (**https://planetshares.uptevia.pro.fr**). After logging on to the Planetshares website, follow the on-screen instructions to reach Votaccess, where you can register your voting instructions. You can also consult the official documentation pertaining to the Meeting on this website.
	HOLDERS OF BEARER SHARES	Holders of bearer shares **whose custodian is connected to Votaccess** should log on to their custodian's website with their usual username and access code. They should then click on the icon that appears on the line corresponding to their Safran shares and follow the on-screen instructions to reach Votaccess, **no later than 3.00 p.m. (CET) on May 24, 2023**. You can also consult the official documentation pertaining to the Meeting on this website. Holders of bearer shares **whose custodian is not connected to Votaccess** should contact their custodian to communicate their voting instructions, which the custodian will then send to Uptevia.

D – You wish to give proxy to another person or entity

You may give proxy to another shareholder, your spouse, your partner with whom you have entered into a civil union or any other individual or legal entity of your choice in accordance with the provisions of Article L. 22-10-39 of the French Commercial Code.

1 – Appointing a proxy

By post	HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES	Holders of registered or administered registered shares wishing to give proxy to another person or entity should complete and sign the proxy/postal voting form attached to the notice of meeting (checking the box corresponding to their choice) and send it in the enclosed prepaid envelope or by letter addressed to Uptevia, Service Assemblées Générales, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France. Duly completed and signed proxy/postal voting forms must reach Uptevia at least three days before the date of the Meeting (i.e., **no later than Monday, May 22, 2023**).
	HOLDERS OF BEARER SHARES	Holders of bearer shares wishing to give proxy to another person or entity may request a proxy/postal voting form from their authorized intermediary. This request must be received by the authorized intermediary no later than six days before the date of the Meeting (i.e., **Friday, May 19, 2023**). The authorized intermediary will then send the duly completed and signed form along with a share ownership certificate to Uptevia.

Online	Holders of registered or administered registered shares can give proxy online via Votaccess by logging on to the Planetshares website at **https://planetshares.uptevia.pro.fr.**	
	HOLDERS OF REGISTERED SHARES	Holders of **registered shares** should log on to the Planetshares website with the username and password they use to access their share account, **no later than 3.00 p.m. (CET) on May 24, 2023**. In the event that you misplace or forget your username and/or password, please call one of the following numbers: 0 826 100 374 (France only) or +33 1 57 43 75 00 (outside France).
	HOLDERS OF ADMINISTERED REGISTERED SHARES	Holders of **administered registered shares** should log on to the Planetshares website with the username that appears in the top right of the voting form attached to the convening notice, **no later than 3.00 p.m. (CET) on May 24, 2023**. In the event that you misplace or forget your username and/or password, please call one of the following numbers: 0 826 100 374 (France only) or +33 1 57 43 75 00 (outside France).
	HOLDERS OF BEARER SHARES	Holders of bearer shares whose **custodian is connected to Votaccess** should log on to their custodian's website with their usual username and access code. They should then click on the icon that appears on the line corresponding to their Safran shares and follow the on-screen instructions. **By email, in accordance with Article R. 22-10-24 of the French Commercial Code:** Holders of bearer shares whose custodian is not connected to Votaccess can send an email to Paris_France_CTS_mandats@uptevia.pro.fr with the following information: the name of the company concerned (Safran), the date of the Meeting (Thursday, May 25, 2023), their last name, first name, address and banking details, as well as the last name, first name and, if possible, the address of their proxy. Holders of bearer shares must ask the authorized intermediary managing their securities account to send a share ownership certificate to the AGM Department *(Service Assemblées Générales)* of Uptevia by post or email. Only notifications of appointments of proxies can be sent to the above email address; any other unrelated requests or notifications will not be considered and/or processed. Digital copies of the proxy form must be signed in order to be valid and taken into account. The forms must be received no later than **3.00 p.m. (CET)** on the day before the Meeting (i.e., **Wednesday, May 24, 2023**).

2 – Revoking a proxy

By post	HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES HOLDERS OF BEARER SHARES	You can revoke your proxy by following the same procedure as when you appointed the proxy. To appoint a new proxy after revoking your previous proxy, you must request a "Change of proxy" form from Uptevia (for holders of registered shares) or from your authorized intermediary (for holders of bearer shares). The completed form must be returned to Uptevia, Service Assemblées Générales, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France at least three days before the date of the Meeting, (i.e., **no later than Monday, May 22, 2023**). Holders of bearer shares must ask the authorized intermediary managing their securities account to send a share ownership certificate to the AGM Department *(Service Assemblées Générales)* of Uptevia.

Online	HOLDERS OF REGISTERED AND ADMINISTERED REGISTERED SHARES	Holders of registered and administered registered shares can revoke their proxy and, where applicable, appoint a new proxy by logging on to Votaccess via the Planetshares website at **https://planetshares.uptevia.pro.fr**, **no later than 3.00 p.m. (CET) on May 24, 2023**.
	HOLDERS OF BEARER SHARES	Holders of bearer shares whose **custodian is connected to Votaccess** can revoke their proxy and, where applicable, appoint a new proxy by logging on to their custodian's website with their usual username and access code, **no later than 3.00 p.m. (CET) on May 24, 2023**. Holders of bearer shares whose custodian is not connected to Votaccess can revoke or change their proxy electronically in accordance with the provisions of Article R. 22-10-24 of the French Commercial Code. In this case, shareholders should send an email to Paris_France_CTS_mandats@uptevia.pro.fr with the following information: the name of the company concerned (Safran), the date of the Meeting (Thursday, May 25, 2023), their last name, first name, address and banking details, as well as the last name, first name and, if possible, the address of their proxy. To appoint a new proxy after revoking a previous proxy, holders of bearer shares must obtain a new "Change of proxy" form from their custodian. The completed form must be returned by email to Paris_France_CTS_mandats@uptevia.pro.fr. Holders of bearer shares must ask the authorized intermediary managing their securities account to send a share ownership certificate to the AGM Department *(Service Assemblées Générales)* of Uptevia by post or email. Only notifications of revocations and changes of proxies can be sent to the above email address; any other unrelated requests or notifications will not be considered and/or processed. Digital copies of the "Change of proxy" form must be signed in order to be valid and taken into account. Emails and forms notifying revoked or changed proxies must be received no later than **3.00 p.m. (CET)** on the day before the Meeting (i.e., **Wednesday, May 24, 2023**).

SALE OF SHARES PRIOR TO THE MEETING

Shareholders may transfer ownership of some or all of their shares at any time

(i) If the sale occurs **before midnight (CET) on Tuesday, May 23, 2023,** the postal/online vote, proxy, admittance card and any share ownership certificates will be canceled or modified accordingly. In such an event, the authorized intermediary (as provided for in Article L. 211-3 of the French Monetary and Financial Code) must notify the Company or Uptevia of the sale and forward the required information.

(ii) If the sale occurs **after midnight (CET) on Tuesday, May 23, 2023,** it will not be notified by the authorized intermediary and will not be taken into consideration by the Company, regardless of the means of communication, notwithstanding any agreement to the contrary.

SHAREHOLDER DIALOGUE AND DOCUMENTS MADE AVAILABLE TO SHAREHOLDERS

Shareholders' legal right to submit written questions

Pursuant to Article R. 225-84 of the French Commercial Code, shareholders may submit written questions to the Company as from the publication date of the documentation to be submitted to the Meeting on the Company's website (see below). Written questions must be **addressed** to the Chairman of the Board of Directors at the Company's registered office (2, boulevard du Général-Martial-Valin, 75724 Paris Cedex 15, France) **by recorded delivery with acknowledgment of receipt,** or **to the following email address: actionnaire.individuel@safrangroup.com**, and be received by the Company **no later than the fourth business day** preceding the Meeting (i.e., **no later than midnight (CET) on Friday, May 19, 2023**).

Written questions must be accompanied by a **share ownership certificate.**

Questions covering the same or similar content may be answered jointly. A written question will be considered answered when such answer is published on the Company's website in a dedicated Q&A section.

All written questions submitted, together with the responses (including the responses given during the Meeting), will be posted on the 2023 Annual General Meeting section of the Company's website, within the applicable legal deadline.

Additional arrangements put in place by Safran to maintain shareholder dialogue

In order to facilitate the effective shareholder dialogue to which the Group is highly committed, additional arrangements beyond those described above will be put in place to enable shareholders to submit written questions: a dedicated module will be made available on the Company's website, through which shareholders will be able to ask questions in advance of the Meeting. The most important issues for shareholders will be identified through this module, and representative questions will then be selected. These questions will be answered during the Meeting if they are not already covered by the presentations given during the Meeting and provided there is sufficient time during the Q&A session. Priority will be given to shareholders present at the Meeting.

Information on how these arrangements will work will be made available on the 2023 Annual General Meeting section of the Company's website (**www.safran-group.com**), which all shareholders are invited to check regularly.

Documents made available to shareholders

In accordance with the applicable legal and regulatory provisions, the preliminary documents for the Annual General Meeting may be obtained from the Shareholder Relations Department at Safran's registered office located at 2, boulevard du Général-Martial-Valin, 75015 Paris, France.

These documents may also be obtained by shareholders on request from Uptevia as from the publication of the convening notice in the French legal gazette (*Bulletin des annonces légales obligatoires* – BALO), or 15 days before the Meeting, depending on the document concerned.

Shareholders who request documents will receive them by email if their email address is known to the Company or to Uptevia. Shareholders who send requests by post are invited to specify their email address if it is not known to the Company or to Uptevia.

The documents provided for by Article R. 225-73-1 of the French Commercial Code will be available on the Company's website at **http://www.safran-group.com** (Finance/Annual General Meeting), no later than 21 days before the Meeting.

HOW TO FILL OUT THE PROXY/POSTAL VOTING FORM

To fill out the proxy/postal voting form:

If you choose "VOTE BY POST", there are three options available:

- vote **FOR** the resolution: the default choice. For resolutions presented or approved by the Board of Directors and bearing a number (1, 2, etc.), you do not have to check any boxes and your vote FOR is automatically registered.
  However, for resolutions not approved by the Board of Directors, if any, and bearing a letter (A, B, etc.), there is no default choice: you must check the box corresponding to your vote;
- vote **AGAINST** the resolution by checking the corresponding box;
- **ABSTAIN** (new) by checking the corresponding box: your shares are counted for the purposes of calculating the overall quorum of the Meeting, but your abstention is not counted for the purposes of calculating the number of votes for or against the resolution.

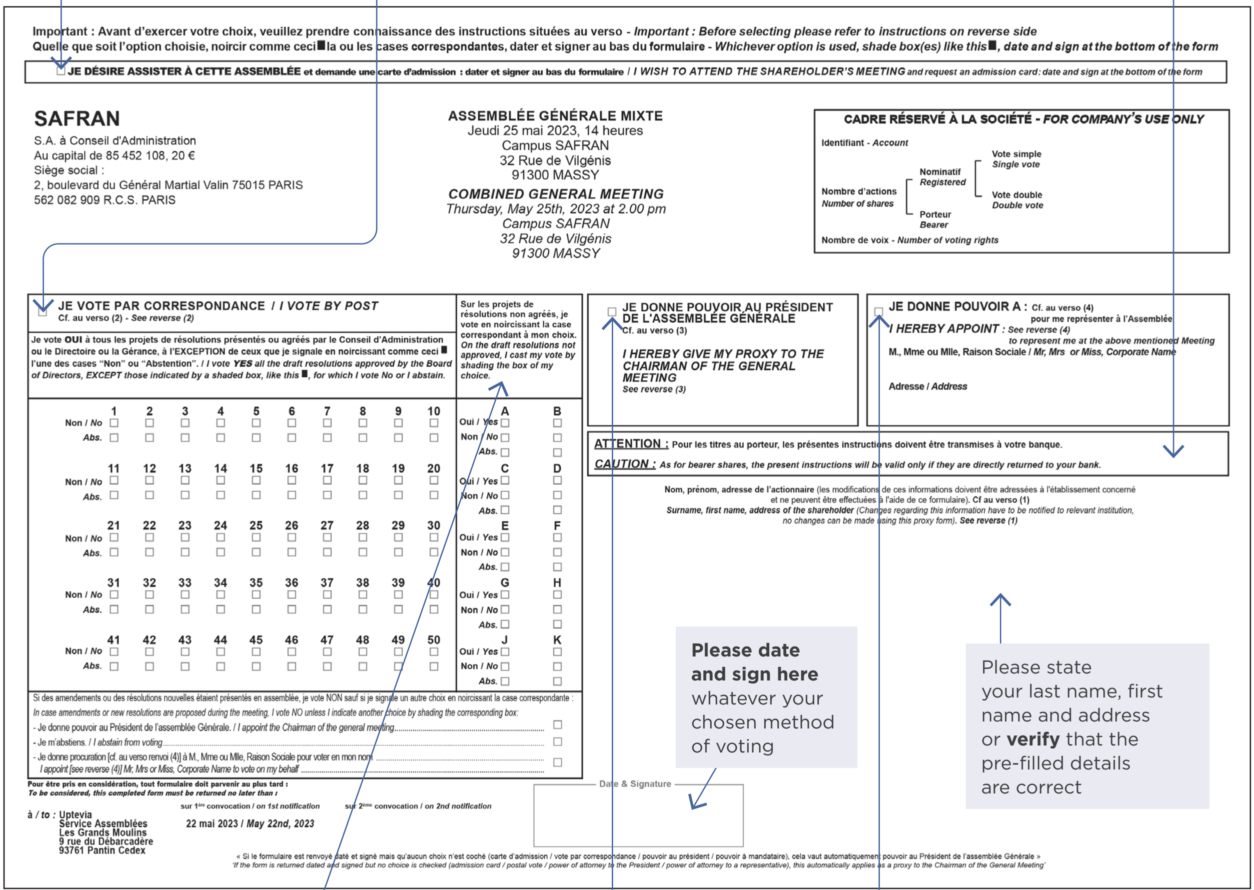
If several boxes are checked for the same resolution, the corresponding votes will be considered null and void for that resolution.

If you decide to vote online, you must not return the paper form, and if you decide to vote by post, you must not submit your instructions online.

If you wish to attend the Meeting
Check this box and you will receive an admittance card

If you wish to cast a postal vote
Check this box and follow the instructions

If you hold bearer shares
Please send this form to your authorized intermediary



Important : Avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso - *Important : Before selecting please refer to instructions on reverse side*
Quelle que soit l'option choisie, noircir comme ceci ■ la ou les cases correspondantes, dater et signer au bas du formulaire - *Whichever option is used, shade box(es) like this ■, date and sign at the bottom of the form*

☐ **JE DÉSIRE ASSISTER À CETTE ASSEMBLÉE** et demande une carte d'admission : dater et signer au bas du formulaire / *I WISH TO ATTEND THE SHAREHOLDER'S MEETING and request an admission card: date and sign at the bottom of the form*

SAFRAN
S.A. à Conseil d'Administration
Au capital de 85 452 108, 20 €
Siège social :
2, boulevard du Général Martial Valin 75015 PARIS
562 082 909 R.C.S. PARIS

ASSEMBLÉE GÉNÉRALE MIXTE
Jeudi 25 mai 2023, 14 heures
Campus SAFRAN
32 Rue de Vilgénis
91300 MASSY

COMBINED GENERAL MEETING
Thursday, May 25th, 2023 at 2.00 pm
Campus SAFRAN
32 Rue de Vilgénis
91300 MASSY

CADRE RÉSERVÉ À LA SOCIÉTÉ - *FOR COMPANY'S USE ONLY*
Identifiant - *Account*
Nombre d'actions - *Number of shares*: Nominatif - *Registered* (Vote simple - *Single vote*; Vote double - *Double vote*); Porteur - *Bearer*
Nombre de voix - *Number of voting rights*

☐ **JE VOTE PAR CORRESPONDANCE / *I VOTE BY POST***
Cf. au verso (2) - *See reverse (2)*

Je vote **OUI** à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noircissant comme ceci ■ l'une des cases "Non" ou "Abstention". / *I vote **YES** all the draft resolutions approved by the Board of Directors, EXCEPT those indicated by a shaded box, like this ■, for which I vote No or I abstain.*

Sur les projets de résolutions non agréés, je vote en noircissant la case correspondant à mon choix. *On the draft resolutions not approved, I cast my vote by shading the box of my choice.*

	1	2	3	4	5	6	7	8	9	10
Non / *No*	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
	11	12	13	14	15	16	17	18	19	20
Non / *No*	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
	21	22	23	24	25	26	27	28	29	30
Non / *No*	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
	31	32	33	34	35	36	37	38	39	40
Non / *No*	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
	41	42	43	44	45	46	47	48	49	50
Non / *No*	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐

	A	B
Oui / *Yes*	☐	☐
Non / *No*	☐	☐
Abs.	☐	☐
	C	D
Oui / *Yes*	☐	☐
Non / *No*	☐	☐
Abs.	☐	☐
	E	F
Oui / *Yes*	☐	☐
Non / *No*	☐	☐
Abs.	☐	☐
	G	H
Oui / *Yes*	☐	☐
Non / *No*	☐	☐
Abs.	☐	☐
	J	K
Oui / *Yes*	☐	☐
Non / *No*	☐	☐
Abs.	☐	☐

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée, je vote NON sauf si je signale un autre choix en noircissant la case correspondante :
In case amendments or new resolutions are proposed during the meeting, I vote NO unless I indicate another choice by shading the corresponding box:
- Je donne pouvoir au Président de l'assemblée Générale. / *I appoint the Chairman of the general meeting* ☐
- Je m'abstiens. / *I abstain from voting* ☐
- Je donne procuration [cf. au verso renvoi (4)] à M., Mme ou Mlle, Raison Sociale pour voter en mon nom / *I appoint [see reverse (4)] Mr, Mrs or Miss, Corporate Name to vote on my behalf* ☐

Pour être pris en considération, tout formulaire doit parvenir au plus tard :
To be considered, this completed form must be returned no later than :

sur 1ère convocation / *on 1st notification*: 22 mai 2023 / *May 22nd, 2023*
sur 2ème convocation / *on 2nd notification*

à / *to* : Uptevia
Service Assemblées
Les Grands Moulins
9 rue du Débarcadère
93761 Pantin Cedex

☐ **JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**
Cf. au verso (3)
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
See reverse (3)

☐ **JE DONNE POUVOIR A :** Cf. au verso (4) pour me représenter à l'Assemblée
I HEREBY APPOINT : *See reverse (4)* *to represent me at the above mentioned Meeting*
M., Mme ou Mlle, Raison Sociale / *Mr, Mrs or Miss, Corporate Name*
Adresse / *Address*

ATTENTION : Pour les titres au porteur, les présentes instructions doivent être transmises à votre banque.
CAUTION : *As for bearer shares, the present instructions will be valid only if they are directly returned to your bank.*

Nom, prénom, adresse de l'actionnaire (les modifications de ces informations doivent être adressées à l'établissement concerné et ne peuvent être effectuées à l'aide de ce formulaire). **Cf au verso (1)**
Surname, first name, address of the shareholder *(Changes regarding this information have to be notified to relevant institution, no changes can be made using this proxy form).* ***See reverse (1)***

Date & Signature

« Si le formulaire est renvoyé daté et signé mais qu'aucun choix n'est coché (carte d'admission / vote par correspondance / pouvoir au président / pouvoir à mandataire), cela vaut automatiquement pouvoir au Président de l'assemblée Générale »
'If the form is returned dated and signed but no choice is checked (admission card / postal vote / power of attorney to the President / power of attorney to a representative), this automatically applies as a proxy to the Chairman of the General Meeting'

Please date and sign here whatever your chosen method of voting

Please state your last name, first name and address or **verify** that the pre-filled details are correct

Remember to check the box corresponding to your choice if applicable

If you wish to give proxy to the Chairman of the Meeting
Check this box

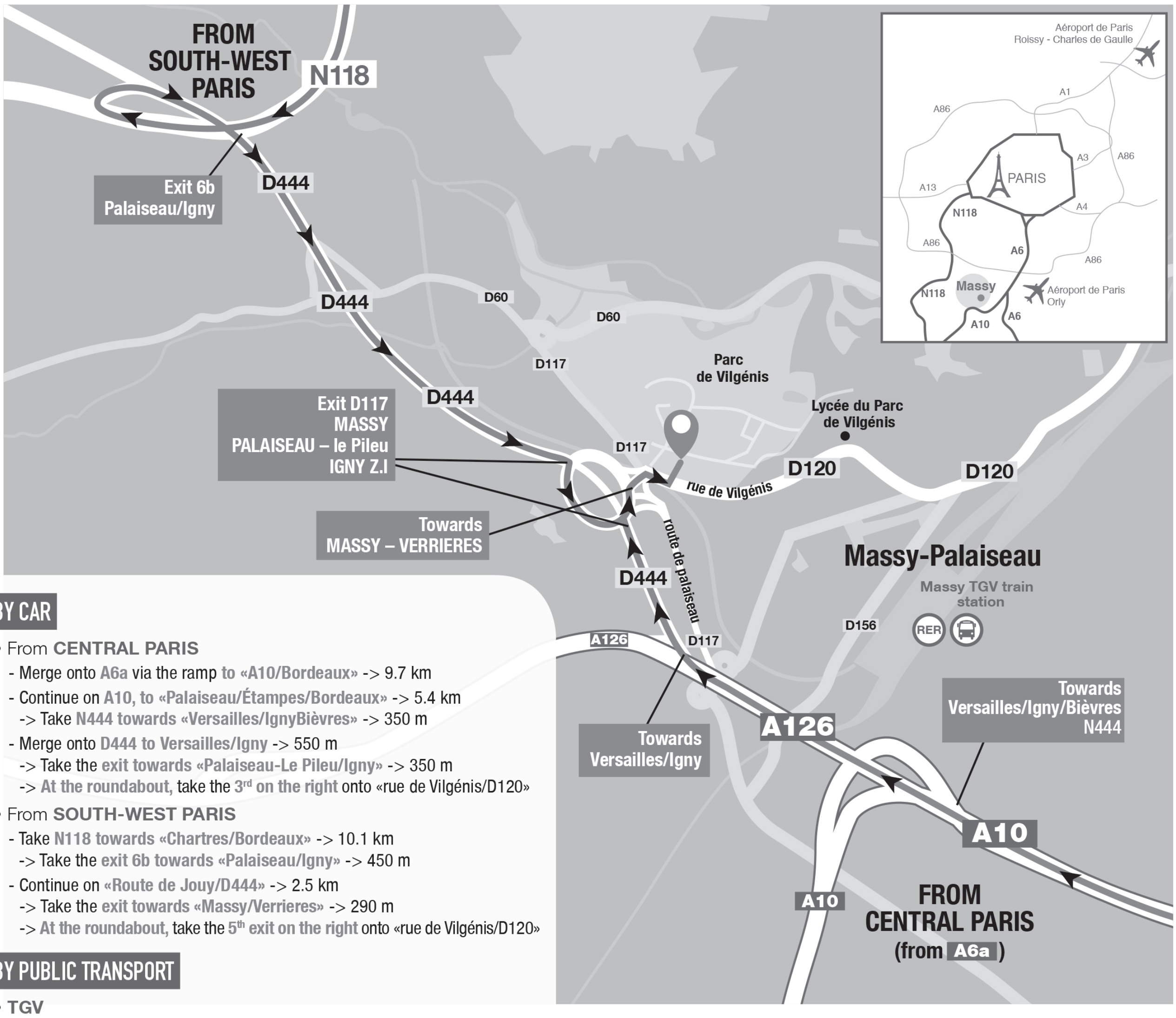
If you wish to appoint a proxy
Check this box and state the name and address of your proxy

FOR FURTHER INFORMATION PLEASE CONTACT:

Safran – Shareholder Relations
2, boulevard du Général-Martial-Valin – 75724 Paris Cedex 15, France
Toll-free number (France only): 0 800 17 17 17 – Fax: 00 33 1 40 60 83 53
Email: actionnaire.individuel@safran.fr
www.safran-group.com/finance

HOW TO GET TO THE MEETING

SAFRAN CAMPUS | GETTING THERE



BY CAR

- From **CENTRAL PARIS**
  - Merge onto A6a via the ramp to «A10/Bordeaux» -> 9.7 km
  - Continue on A10, to «Palaiseau/Étampes/Bordeaux» -> 5.4 km
    -> Take N444 towards «Versailles/IgnyBièvres» -> 350 m
  - Merge onto D444 to Versailles/Igny -> 550 m
    -> Take the exit towards «Palaiseau-Le Pileu/Igny» -> 350 m
    -> At the roundabout, take the 3rd on the right onto «rue de Vilgénis/D120»
- From **SOUTH-WEST PARIS**
  - Take N118 towards «Chartres/Bordeaux» -> 10.1 km
    -> Take the exit 6b towards «Palaiseau/Igny» -> 450 m
  - Continue on «Route de Jouy/D444» -> 2.5 km
    -> Take the exit towards «Massy/Verrieres» -> 290 m
    -> At the roundabout, take the 5th exit on the right onto «rue de Vilgénis/D120»

BY PUBLIC TRANSPORT

- **TGV**
  Massy TGV train station, then the Safran shuttle bus.
- **RER RAPID TRANSIT**
  Massy-Palaiseau RER B and C station, then the Safran shuttle bus.
- From **ORLY AIRPORT** (approx. 30 min)
  Take the Orlyval, then the RER B to Massy-Palaiseau, then the Safran shuttle bus.
- From **ROISSY CDG AIRPORT** (approx. 90 min.)
  Take the RER B to Massy-Palaiseau, then the Safran shuttle bus.
- **SAFRAN SHUTTLE BUSES**

- From the Massy TGV train station
  -> Follow the signs to RER B and C, then take the exit "Sortie 2": Vilmorin bus station ("Gare Routière")
- From the Massy Palaiseau RER B and C station
  -> Follow the signs to the Vilmorin bus station ("Gare Routière")
  -> Shuttle buses to and from the Campus run about every 10 minutes at the following times:
    - 7:30 to 9:30 am
    - 5:00 to 7:00 pm, Monday to Thursday
    - 4:00 to 6:00 pm, Friday

You can also take the regular RATP (Paris area transit authority) bus lines 119 and 196 from the Vilmorin bus station to the Safran Campus. For more information go to: www.stif.info/

CONTACT INFORMATION

32 rue de Vilgénis - 91300 Massy, France

GPS coordinates
N: 48.730942° / 48° 43' 51.39"
E: 2.244706° / 2° 14' 40.94 ''

Phone: **+33 (0)1 64 54 60 00**
email: **lecampussafran@safran.fr**

➜ ACCESS

Please be sure to always carry **your badge and ID** (ID card or passport).

Agenda

CFM56 engine

ORDINARY RESOLUTIONS

First resolution:	Approval of the parent company financial statements for the year ended December 31, 2022
Second resolution:	Approval of the consolidated financial statements for the year ended December 31, 2022
Third resolution:	Appropriation of profit for the year and approval of the recommended dividend
Fourth resolution:	Approval of a related-party agreement governed by Article L.225-38 of the French Commercial Code entered into with Airbus SE, Tikehau ACE Capital, AD Holding and the French State, and of the Statutory Auditors' special report on related-party agreements governed by Articles L.225-38 *et seq.* of the French Commercial Code
Fifth resolution:	Ratification of the appointment of Alexandre Lahousse as a Director put forward by the French State
Sixth resolution:	Ratification of the appointment of Robert Peugeot as a Director
Seventh resolution:	Re-appointment of Ross McInnes as a Director
Eighth resolution:	Re-appointment of Olivier Andriès as a Director
Ninth resolution:	Appointment of Fabrice Brégier as an independent Director
Tenth resolution:	Re-appointment of Laurent Guillot as an independent Director
Eleventh resolution:	Re-appointment of Alexandre Lahousse as a Director put forward by the French State
Twelfth resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for 2022 to the Chairman of the Board of Directors
Thirteenth resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for 2022 to the Chief Executive Officer
Fourteenth resolution:	Approval of the disclosures required under Article L.22-10-9 I of the French Commercial Code concerning the compensation of corporate officers for 2022
Fifteenth resolution:	Approval of the compensation policy applicable to the Chairman of the Board of Directors for 2023
Sixteenth resolution:	Approval of the compensation policy applicable to the Chief Executive Officer for 2023
Seventeenth resolution:	Approval of the compensation policy applicable to the Directors for 2023
Eighteenth resolution:	Authorization for the Board of Directors to carry out a share buyback program

EXTRAORDINARY RESOLUTIONS

Nineteenth resolution:	Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares, and blanket ceiling for capital increases with or without pre-emptive subscription rights
Twentieth resolution:	Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2, 1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-first resolution:	Authorization for the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-second resolution:	Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2, 1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-third resolution:	Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 19th, 20th, 21st or 22nd resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-fourth resolution:	Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares
Twenty-fifth resolution:	Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Group employee savings plan, without pre-emptive subscription rights for existing shareholders
Twenty-sixth resolution:	Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares
Twenty-seventh resolution:	Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and with performance conditions, to employees and corporate officers of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights
Twenty-eighth resolution:	Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and without performance conditions, to employees of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights

RESOLUTION CONCERNING POWERS TO CARRY OUT FORMALITIES

Twenty-ninth resolution: Powers to carry out formalities

Report on the proposed resolutions and text of the proposed resolutions

Airbus A320 carbon brake

REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS PROPOSED TO THE ANNUAL GENERAL MEETING AND TEXT OF THE PROPOSED RESOLUTIONS

The proposed resolutions that will be submitted for shareholder approval at Safran's Annual General Meeting on May 25, 2023 are presented below.

Each of the resolutions is preceded by an explanatory paragraph providing a description of the resolution and setting out the reasons why it is being proposed.

All of these explanatory paragraphs, together with the business review provided in this notice of meeting, form the report of the Board of Directors. This report should be read in conjunction with the text of the proposed resolutions.

Ordinary resolutions

Approval of the parent company and consolidated financial statements for the year ended December 31, 2022

Presentation of the first and second resolutions

The shareholders are invited to approve the parent company and consolidated financial statements for the year ended December 31, 2022, as well as the expenses incurred during the year that are not deductible for tax purposes (company vehicles):

- the parent company financial statements show that the Company ended 2022 with profit of €1,036 million;
- the consolidated financial statements show an attributable loss for the year amounting to €2,459 million.

Text of the first resolution

Approval of the parent company financial statements for the year ended December 31, 2022

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the management report prepared by the Board of Directors and the Statutory Auditors' report on the parent company financial statements, the shareholders approve the parent company financial statements for the year ended December 31, 2022 as presented – showing profit for the year of €1,036,303,514.57 – together with the transactions reflected in those financial statements and referred to in those reports.

Pursuant to Article 223 *quater* of the French Tax Code (*Code général des impôts*), the shareholders approve the non-deductible expenses governed by Article 39-4 of said Code, which totaled €392,135 and gave rise to a tax charge of €101,288.

Text of the second resolution

Approval of the consolidated financial statements for the year ended December 31, 2022

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the management report prepared by the Board of Directors and the Statutory Auditors' report on the consolidated financial statements, the shareholders approve the consolidated financial statements for the year ended December 31, 2022 as presented, together with the transactions reflected in those financial statements and referred to in those reports.

Appropriation of profit for the year and approval of the recommended dividend

Presentation of the third resolution

The Company's distributable profit for 2022 totals €5,639 million, breaking down as €1,036 million in profit for the year plus €4,602 million in retained earnings brought forward from the previous year.

The Board of Directors recommends paying a dividend of €1.35 per share, corresponding to a total payout of €576.8 million based on the 427,245,970 shares making up the Company's capital at December 31, 2022 (see section 7.2.1 of the 2022 Universal Registration Document) and a 40% payout ratio based on restated profit[(1)].

The remaining €5,061 million of distributable profit would be allocated to retained earnings.

The amount of €5,061 million (and, consequently, the amount allocated to retained earnings) will be adjusted to take into account new shares with dividend rights issued before the ex-dividend date (including shares issued upon exercise of stock options) and the number of shares held in treasury at that date for which the dividend is credited to retained earnings.

For individual shareholders domiciled for tax purposes in France, this dividend will be subject to the 30% flat-rate tax comprising 12.8% for the tax prepayment provided for in Article 200-A of the French Tax Code and 17.2% for social security contributions. This flat-rate tax will automatically apply unless the taxpayer opts to be taxed based on the standard income tax bands for all of his or her investment income. For shareholders who exercise this option, the dividend will be eligible for the 40% tax relief provided for in Article 158, 3-2° of the French Tax Code.

The dividend will be paid based on the following timetable:

- ex-dividend date: May 30, 2023;
- record date: May 31, 2023;
- dividend payment date: June 1, 2023.

Text of the third resolution

Appropriation of profit for the year and approval of the recommended dividend

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, and based on the Board of Directors' recommendation, the shareholders resolve to appropriate the profit for the year ended December 31, 2022 as follows:

Profit for 2022	€1,036,303,514.57
Retained earnings[(1)]	€4,602,315,165.39
Profit available for distribution	€5,638,618,679.96
Appropriation:	
■ Dividend	€576,782,059.50
■ Retained earnings	€5,061,836,620.46

(1) Including €158,401 corresponding to the 2021 dividend due on shares held in treasury at the dividend payment date.

Accordingly, the dividend paid will be €1.35 per share.

For individual shareholders domiciled for tax purposes in France, this dividend will be subject to the 30% flat-rate tax comprising 12.8% for the tax prepayment provided for in Article 200-A of the French Tax Code and 17.2% for social security contributions. This flat-rate tax will automatically apply unless the taxpayer opts to be taxed based on the standard income tax bands for all of his or her investment income. For shareholders who exercise this option, the dividend will be eligible for the 40% tax relief provided for in Article 158, 3-2° of the French Tax Code.

The ex-dividend date will be May 30, 2023 and the record date will be May 31, 2023. The dividend will be paid on June 1, 2023.

The shareholders resolve that in the event of an increase or decrease in the number of shares carrying dividend rights at the ex-dividend date, the dividend payout and also the amount allocated to retained earnings will be adjusted accordingly.

The shareholders note that dividends paid for the past three years were as follows:

	Number of shares carrying dividend rights[(1)]	Net dividend per share	Total payout
2021	427,242,440	€0.50	€213,621,220.00[(2)]
2020	426,321,373	€0.43	€183,318,190.39[(2)]
2019	0	€0	€0

(1) Total number of shares carrying dividend rights less the number of Safran shares held in treasury at the dividend payment date.
(2) Subject to the flat-rate tax or, on a discretionary basis, tax levied at the progressive rate after deducting the 40% tax relief.

(1) Excluding the contribution from the French government in the form of short-time working, the contribution of employees in 2022 (abondement) and the impairment of Aircraft Interiors goodwill.

Related-party agreement

Presentation of the fourth resolution

A related-party agreement was entered into in 2022 with several parties including the French State. This agreement, which is described below, is being submitted to the Annual General Meeting for approval.

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

On July 22, 2022, Safran SA signed an agreement with Airbus SE, Tikehau ACE Capital, AD Holding and the French State ("the Parties") for the acquisition from Eramet SA of all the shares and voting rights of Aubert & Duval SAS ("AD SAS"), through a holding company ("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 innovation, design and production capacities, as well as securing the supply of such materials.

In order to protect France's essential interests, on the acquisition date of AD SAS by AD Holding, the French State will create a specific AD SAS share (the "Specific Share"), which will replace the existing specific Eramet SA share[1].

Furthermore, it has been agreed between 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:

- rights over the ownership and, where applicable, the devolution of all or part of the sensitive defense assets defined in 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.

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;
- the French State shall be informed beforehand of any proposal to change the distribution of AD Holding's share capital between Airbus, Safran SA and Tikehau Ace Capital or of any proposal to restructure AD Holding or AD SAS;
- 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 than 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 the 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 when AD Holding's acquisition of AD SAS is completed.

Related-party agreements

The related-party agreements authorized in previous years, and which had continuing effect during 2022, are presented in the Statutory Auditors' special report in section 8.3.1 of the 2022 Universal Registration Document and in the "Statutory Auditors' reports presented to the Annual General Meeting of May 25, 2023" section of this notice of meeting.

(1) *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).

Text of the fourth resolution

Approval of a related-party agreement governed by Article L.225-38 of the French Commercial Code entered into with Airbus SE, Tikehau ACE Capital, AD Holding and the French State, and of the Statutory Auditors' special report on related-party agreements governed by Articles L.225-38 *et seq.* of the French Commercial Code

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Statutory Auditors' special report on the related-party agreements governed by Articles L.225-38 *et seq.* of the French Commercial Code, the shareholders approve the conclusions of the report and the agreement entered into with Airbus SE, Tikehau ACE Capital, AD Holding and the French State in 2022, as described therein.

Ratification of the appointments of directors

Presentation of the fifth resolution

At its meeting of July 27, 2022, the Board of Directors appointed Alexandre Lahousse as a Director, who was put forward by the French State, to replace and fill the seat left vacant by the resignation of Vincent Imbert. Alexandre Lahousse was appointed for the remainder of his predecessor's term of office, i.e., until the close of the Annual General Meeting of May 25, 2023. At the same meeting, Alexandre Lahousse was also appointed as a member of the Innovation, Technology & Climate Committee, replacing Vincent Imbert.

The shareholders are invited to ratify the appointment of Alexandre Lahousse by the Board of Directors.

Alexandre Lahousse complies with the legal requirements and the recommendations of the AFEP-MEDEF Corporate Governance Code (the "AFEP-MEDEF Code") regarding the maximum number of offices that can be held by a corporate officer and/or Director.

He brings to the Board in-depth knowledge of the Group's sovereignty-related products and markets, as well as his defense industry expertise, his knowledge of the European aerospace industry, and his expertise in industrial strategy and State research and technology.

His profile is presented in section 6.2.2 of the 2022 Universal Registration Document and in the "Corporate governance" section of this notice of meeting.

Text of the fifth resolution

Ratification of the appointment of Alexandre Lahousse as a Director put forward by the French State

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders ratify the Board's decision of July 27, 2022 to temporarily appoint Alexandre Lahousse as a Director put forward by the French State, to replace Vincent Imbert for the remainder of his term of office, i.e., until the close of the Annual General Meeting to be held in 2023 to approve the financial statements for the year ended December 31, 2022.

Presentation of the sixth resolution

As a reminder, Robert Peugeot was previously the permanent representative of F&P[1] on the Board of Directors. At its meeting of December 19, 2022, the Board of Directors decided to appoint Robert Peugeot as an independent Director in his own name, to fill the seat left vacant by the resignation of F&P. Robert Peugeot took office as a Director in his own name on December 19, 2022 for the remainder of his predecessor's term, i.e., until the close of the Annual General Meeting to be held in 2026 to approve the financial statements for the year ending December 31, 2025. At its meeting of December 19, 2022, the Board of Directors also confirmed that Robert Peugeot would remain a member of the Audit and Risk Committee.

The shareholders are invited to ratify the appointment of Robert Peugeot as a Director in his own name by the Board of Directors.

Robert Peugeot complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

He brings to the Board his experience as an executive and director of international industrial groups, as well as his experience in private equity and finance. His profile is presented in section 6.2.2 of the 2022 Universal Registration Document and in the "Corporate governance" section of this notice of meeting.

Text of the sixth resolution

Ratification of the appointment of Robert Peugeot as a Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders ratify the Board's decision of December 19, 2022 to temporarily appoint Robert Peugeot as a Director, to replace F&P for the remainder of F&P's term of office, i.e., until the close of the Annual General Meeting to be held in 2026 to approve the financial statements for the year ending December 31, 2025.

(1) *F&P was a joint venture between Peugeot Invest Assets (formerly FFP Invest) and Fonds Stratégique de Participations (FSP), specifically set up for the purpose of exercising the role of a Director of Safran.*

Expiration of terms of office – Re-appointments and appointment

Presentation of the seventh to eleventh resolutions

The terms of office of Ross McInnes, Olivier Andriès, Jean-Lou Chameau, Laurent Guillot and Alexandre Lahousse are due to expire at the close of the Annual General Meeting to be held on May 25, 2023. The shareholders are invited to vote on the proposals to fill these vacancies.

Concerning the Chairman of the Board of Directors and the Chief Executive Officer, at its meeting on October 27, 2022, the Board of Directors reaffirmed:

- its satisfaction with (i) the current governance structure based on segregated roles of Chairman of the Board and Chief Executive Officer, and (ii) the respective performances of the Chairman and the Chief Executive Officer;
- its belief that the complementary profiles, expertise and careers of the Chairman of the Board of Directors and the Chief Executive Officer are a major factor for ensuring the Group's efficient governance, based on transparency between Executive Management and the Board, a balanced split between the respective roles of the Chairman and the Chief Executive Officer, and effective segregation of their functions;
- its belief that it is useful, necessary and of real value for the Chief Executive Officer to also be a Director of the Company, as it enables the Chief Executive Officer to be among his peers around the Board table, and also allows the Board to benefit from his contribution to its discussions.

These observations were confirmed and reiterated during the Board annual self-assessment at its December 2022 meeting.

Re-appointment of Ross McInnes as a Director (7th resolution)

Based on the recommendations of the Appointments and Compensation Committee, the Board of Directors is putting forward Ross McInnes for re-appointment as a Director for a four-year term expiring at the close of the Annual General Meeting to be held in 2027.

The Company has already announced in its press release of October 28, 2022 that, assuming Ross McInnes is re-appointed as a Director by the Annual General Meeting, the Board of Directors will re-appoint him as Chairman of the Board for the duration of his term of office as Director (i.e., four years). His specific duties as Chairman, as set out in the Board of Directors' Internal Rules, will be unchanged (see section 6.1.2 of the 2022 Universal Registration Document).

Ross McInnes' employment contract with the Company was terminated on May 23, 2019, when his appointment as Chairman was last renewed, in order to comply with the recommendation of the AFEP-MEDEF Code in this regard.

Ross McInnes complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

His profile is presented in section 6.2.2 of the 2022 Universal Registration Document and in the "Corporate governance" section of this notice of meeting.

Re-appointment of Olivier Andriès as a Director (8th resolution)

Considering its belief that it is of real value for the Chief Executive Officer to also be a Director of the Company, and based on the recommendations of the Appointments and Compensation Committee, the Board of Directors is putting forward Olivier Andriès for re-appointment as a Director by the Annual General Meeting, for a four-year term expiring at the close of the Annual General Meeting to be held in 2027.

The Company has already announced in its press release of October 28, 2022 that the Board of Directors will re-appoint Olivier Andriès as Chief Executive Officer at the close of the 2023 Annual General Meeting.

This decision reflects the Board's continuing belief that it is useful, necessary and of real value for the Chief Executive Officer to also be a Director of the Company, as it enables the Chief Executive Officer to take part in the Board's discussions and deliberations, and allows the Board to benefit from his contribution.

Olivier Andriès complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

Olivier Andriès' employment contract with the Company has been suspended since he took up his position as Chief Executive Officer on January 1, 2021.

His profile is presented in section 6.2.2 of the 2022 Universal Registration Document and in the "Corporate governance" section of this notice of meeting.

Appointment of Fabrice Brégier as an independent Director (9th resolution)

Following a selection procedure led by the Chairman of the Board, the Lead Independent Director and the Appointments and Compensation Committee, the profile of Fabrice Brégier was chosen as the one that most closely matched the candidate requirements drawn up by the Board, in terms of independence, knowledge of the aeronautics, defense and space industries, experience of leading and serving on the Boards of international groups, and expertise in digital technologies.

The Board also noted that Fabrice Brégier complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

As of the 2023 Annual General Meeting, Jean-Lou Chameau will have served on the Board for 12 years and will no longer qualify as an independent Director.

The shareholders are therefore invited to appoint Fabrice Brégier as an independent Director, replacing Jean-Lou Chameau, for a four-year term expiring at the close of the Annual General Meeting to be held in 2027.

His profile is presented in section 8.2.4 of the 2022 Universal Registration Document and in the "Corporate governance" section of this notice of meeting.

Re-appointment of Laurent Guillot as an independent Director (10th resolution)

Based on the recommendation of the Appointments and Compensation Committee, the Board of Directors is putting forward Laurent Guillot for re-appointment as an independent Director for a four-year term expiring at the close of the Annual General Meeting to be held in 2027.

The Board has verified that Laurent Guillot continues to qualify as independent based on the criteria set out in the AFEP-MEDEF Code and the Board of Directors' Internal Rules (see section 6.2.4.1 of the 2022 Universal Registration Document).

The Board has also assessed his individual contribution to the work of the Board and to that of the Audit and Risk Committee, which he chairs, and the Innovation, Technology & Climate Committee, of which he is a member. The assessment led the Board to once again recognize Laurent Guillot's financial expertise, his skills and experience acquired in staff and line positions within a global industrial group, and his expertise in high-performance materials, industrialization processes and information systems.

The Board also noted that Laurent Guillot complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

His profile is presented in section 6.2.2 of the 2022 Universal Registration Document and in the "Corporate governance" section of this notice of meeting.

Re-appointment of Alexandre Lahousse as a Director put forward by the French State (11th resolution)

Shareholders are invited to re-appoint Alexandre Lahousse as a Director put forward by the French State in accordance with Article 6 of the French government *ordonnance* (order) dated August 20, 2014[1], for a four-year term expiring at the close of the Annual General Meeting be held in 2027.

The Board of Directors draws shareholders' attention to Alexandre Lahousse's excellent understanding of the Company's challenges and strategy, and his contribution to the work of the Board and the Innovation, Technology & Climate Committee of which he is a member.

The Board noted that Alexandre Lahousse complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

His profile is presented in section 6.2.2 of the 2022 Universal Registration Document and in the "Corporate governance" section of this notice of meeting.

As of the close of the Annual General Meeting of May 25, 2023, subject to shareholder approval of the resolutions put to the vote, the Board of Directors will have 16 members, as follows:

- 66.7% of Directors will qualify as independent[2];
- 41.7%[3] of Directors will be women, a percentage aligned with the legal requirement.

Text of the seventh resolution

Re-appointment of Ross McInnes as a Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders re-appoint Ross McInnes as a Director, for a four-year term expiring at the close of the Annual General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026.

Text of the eighth resolution

Re-appointment of Olivier Andriès as a Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders re-appoint Olivier Andriès as a Director, for a four-year term expiring at the close of the Annual General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026.

Text of the ninth resolution

Appointment of Fabrice Brégier as an independent Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders appoint Fabrice Brégier as an independent Director to replace Jean-Lou Chameau whose term has expired. Fabrice Brégier is appointed for a four-year term expiring at the close of the Annual General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026.

(1) *Government* ordonnance *(order) 2014-948 of August 20, 2014 regarding the governance of companies in which the French State has a stake and regarding corporate actions involving these companies.*
(2) *Excluding the Directors representing employees and employee shareholders.*
(3) *Excluding the Directors representing employees and employee shareholders.*

Text of the tenth resolution

Re-appointment of Laurent Guillot as an independent Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders re-appoint Laurent Guillot as a Director, for a four-year term expiring at the close of the Annual General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026.

Text of the eleventh resolution

Re-appointment of Alexandre Lahousse as a Director put forward by the French State

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders re–appoint Alexandre Lahousse as a Director, for a four-year term expiring at the close of the Annual General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026.

Approval of the components of compensation and benefits paid during or awarded for 2022 to the corporate officers (*ex-post*)

Presentation of the twelfth and thirteenth resolutions – Specific votes on the components of compensation and benefits paid during or awarded for 2022 to the Chairman of the Board of Directors, Ross McInnes, and the Chief Executive Officer, Olivier Andriès (*ex-post*)

At the Annual General Meeting of May 25, 2022, the shareholders approved the compensation policies for (i) the Chairman of the Board of Directors, in the 8th resolution, and (ii) the Chief Executive Officer, in the 9th resolution (*ex-ante* vote).

The Board set the respective compensation packages for the Chairman and the Chief Executive Officer for 2022 in accordance with these policies.

Shareholders are asked to vote on the individual components of compensation and benefits paid during or awarded for the previous year to the Chairman of the Board of Directors and to the Chief Executive Officer (*ex–post* vote).

In accordance with the applicable regulations[1], the specific vote concerning each corporate officer covers the fixed, variable and exceptional components of the total compensation and benefits paid during the previous year (i.e., cash compensation paid to the officer in 2022, whatever the year to which it relates) or awarded for that year (i.e., share-based and/or cash compensation awarded in respect of the work performed in 2022, the quantity and/or amount of which does not vest on the grant date and is therefore measured at the grant-date accounting value, if applicable).

At the Annual General Meeting, the shareholders will be asked to approve the components of the compensation and benefits paid during or awarded for 2022 to the Chairman and the Chief Executive Officer (*ex-post* vote), as fixed by the Board. These components may comprise:

- fixed compensation;
- variable compensation;
- performance shares;
- supplementary pension plans;
- benefits-in-kind.

The following tables summarize the various components of the compensation and benefits of the Chairman and the Chief Executive Officer, which are presented in detail in sections 6.6.3.1 and 6.6.3.2 of the 2022 Universal Registration Document.

In accordance with the applicable law, payment of the corporate officers' variable compensation and any exceptional compensation for the previous year (year Y-1) is subject to the approval of the shareholders at the Annual General Meeting held the following year (year Y).

Payment of the annual variable compensation of the Chief Executive Officer, Olivier Andriès, for 2022 is therefore subject to the approval of the shareholders at the Annual General Meeting of May 25, 2023.

Consequently:

- in the 12th resolution, the shareholders are asked to approve the fixed, variable and exceptional components making up the total compensation and benefits paid during or awarded for 2022 to Ross McInnes, Chairman of the Board of Directors; and
- in the 13th resolution, the shareholders are asked to approve the fixed, variable and exceptional components making up the total compensation and benefits paid during or awarded for 2022 to Olivier Andriès, Chief Executive Officer.

(1) *Article L.22-10-34 II of the French Commercial Code.*

COMPONENTS OF THE COMPENSATION PAID DURING OR AWARDED FOR 2022 TO ROSS MCINNES, CHAIRMAN OF THE BOARD OF DIRECTORS

Compensation components put to the vote	Amounts paid during 2022	Amounts awarded for 2022 or accounting value	Presentation
Fixed compensation (2022)	**€450,000** Awarded for 2022 and paid in 2022	**See opposite**	At its meeting on February 23, 2022, acting on the recommendation of the Appointments and Compensation Committee, the Board of Directors kept the Chairman's annual fixed compensation at €450,000 for 2022, i.e., unchanged from 2021 (see section 6.6.3.1.a of the 2022 Universal Registration Document).
Annual variable compensation (2022)	**N/A**[(1)]	**N/A**	Ross McInnes does not receive any annual variable compensation.
Multi-year variable compensation	**N/A**	**N/A**	Ross McInnes does not receive any multi-year variable compensation.
Exceptional compensation	**N/A**	**N/A**	Ross McInnes did not receive any exceptional compensation.
Stock options, performance shares and any other long-term compensation	**N/A**	**N/A**	Ross McInnes does not receive any stock options. Ross McInnes does not receive any performance shares or any other long-term compensation.
Directors' compensation	**N/A**	**N/A**	Ross McInnes did not receive any compensation for his duties as member of the Board of Directors for 2022.
Benefits-in-kind	**N/A**	**€5,879.36** *(accounting value)*	Ross McInnes has the use of a company car.
Termination benefits	**N/A**	**N/A**	Ross McInnes is not entitled to any termination benefits in his capacity as Chairman of the Board of Directors.
Supplementary pension			The Chairman of the Board of Directors is not covered by any specific supplementary pension plan, other than those described below.
	€0	**N/A**	**Defined contribution pension plans (*plan d'épargne retraite obligatoire* – PERO)** The Chairman is a beneficiary of "PERO – Core" and "PERO – Additional" plans set up on January 1, 2022 (see section 6.6.3.1.d of the 2022 Universal Registration Document) for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries. His participation in these plans was approved at the Annual General Meeting of May 25, 2022, through the 12th resolution relating to the compensation policy for the Chairman, which included said supplementary pension benefits. The expenses recorded in the 2022 financial statements relating to the contributions paid for Ross McInnes under the PERO – Core Plan and the PERO – Additional Plan amounted to €12,135.12 and €14,191.92 respectively. At December 31, 2022, the estimated theoretical amount[(2)] of the annuities that could be paid to Ross McInnes under the PERO – Core Plan and the PERO – Additional Plan amounted to €10,098.26 and €3,740.48 respectively.

Compensation components put to the vote	Amounts paid during 2022	Amounts awarded for 2022 or accounting value	Presentation
	Additional payment: €39,015	**N/A**	**"Article 82" defined contribution plan** The Chairman is a beneficiary of Safran's defined contribution supplementary pension plan set up in France (see section 6.6.3.1.d of the 2022 Universal Registration Document) for all Group managerial-grade staff pursuant to Article 82 of the French Tax Code (the "Article 82 Plan"), subject to the same terms and conditions as the other plan beneficiaries. The commitment was approved at the Annual General Meeting of May 25, 2022, through the 12th resolution relating to the compensation policy for the Chairman, which included said supplementary pension benefits. The contributions to the plan are based on the fixed compensation that Ross McInnes receives for his role as Chairman of the Board of Directors. In view of his status as Chairman, the plan does not have any underlying performance conditions, meaning that his compensation is not linked to the Company's performance, in compliance with the requirement in the AFEP-MEDEF Code for non-executive officers. The Article 82 Plan was put in place to compensate for the closure of Safran's Article 39 defined benefit plan as from January 1, 2017 (see below). In order for entitlements to accrue under the plan, the Company is required to: ■ pay monthly contributions to an insurer, the rate of which is set based on the beneficiary's reference compensation for year Y-1 (Insurer Contribution) and which may represent up to 12.735% of that reference compensation; and ■ pay a cash amount to the beneficiary corresponding to the Insurer Contribution (Additional Payment) so that the beneficiary can pay the applicable tax (the plan provides for up-front taxation so that the capital accrued and received on the beneficiaries' retirement is net of tax and social security contributions). The commitment was approved at the Annual General Meeting of May 25, 2022, through the 12th resolution relating to the compensation policy for the Chairman, which included said supplementary pension benefits. Under the Article 82 Plan, the Insurer Contribution and Additional Payment for the Chairman for 2022 totaled €39,015 each (i.e., €78,030 altogether), corresponding in each case to 8.67% of his reference compensation (17.34% in total). At December 31, 2022, the estimated theoretical amount(2) of the annuity that could be paid to Ross McInnes under the Article 82 Plan was €10,686.18.
	€0	**N/A**	**"Article 39" defined benefit plan (closed to new entrants and entitlements frozen)** The Article 39 defined benefit supplementary pension plan(3) of which the Chairman was previously a beneficiary (further to the decision of the Board of Directors on April 23, 2015 and by the shareholders at the May 19, 2016 Annual General Meeting) is now closed to new entrants and the benefit entitlements have been frozen, including for the Chairman. However, he could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met (see section 6.6.3.1.d of the 2022 Universal Registration Document). At December 31, 2022, the estimated theoretical amount(2) of the annuity that could be paid to Ross McInnes corresponded to the cap set in the plan, i.e., €131,976 (corresponding to three times the annual social security ceiling [PASS], based on the 2023 value of the PASS).

(1) Not applicable.
(2) Calculated based on the assumption that the annuity would be received as from January 1, 2023, irrespective of the eligibility conditions (in accordance with Article D.22-10-16 of the French Commercial Code).
*(3) Defined benefit plan meeting the conditions set out in Article L.137-11 of the French Social Security Code (*Code de la sécurité sociale*).*

COMPONENTS OF THE COMPENSATION PAID DURING OR AWARDED FOR 2022 TO OLIVIER ANDRIÈS, CHIEF EXECUTIVE OFFICER

Compensation components put to the vote	Amounts paid during 2022	Amounts awarded for 2022 or accounting value	Presentation
Fixed compensation (2022)	**€800,000** Awarded for 2022 and paid in 2022	**See opposite**	At its meeting on February 23, 2022, acting on the recommendation of the Appointments and Compensation Committee, the Board of Directors kept the Chief Executive Officer's annual fixed compensation at €800,000 for 2022, i.e., unchanged since 2018 for the office of Chief Executive Officer (see section 6.6.3.2.a of the 2022 Universal Registration Document).
Annual variable compensation (2022)		**€1,072,671** Awarded for 2022 and payable in 2023 Payment of the Chief Executive Officer's annual variable compensation for 2022 is subject to shareholders' approval at the Annual General Meeting of May 25, 2023	The Chief Executive Officer's annual variable compensation for 2022 was determined by the Board of Directors in accordance with the compensation policy approved by the shareholders at the Annual General Meeting of May 25, 2022 (see section 6.6.1.3 of the 2021 Universal Registration Document) and described in section 6.6.3.2.b of the 2022 Universal Registration Document. At its meeting on February 23, 2022, the Board of Directors made a notable change to the compensation policy for the Chief Executive Officer compared to the compensation policy approved by the shareholders at the Annual General Meeting of May 26, 2021. The change concerned his annual variable compensation. The amended compensation policy provides that, as from 2022, his "target" variable compensation – i.e., the amount payable if the achievement rate is 100% for all of the financial and individual performance objectives – will correspond to 120% of his annual fixed compensation, as opposed to 100% previously. Unchanged from the compensation policy approved by the shareholders at the Annual General Meeting of May 26, 2021, if the Chief Executive Officer outperforms his objectives, his "maximum" variable compensation – i.e., the amount payable if the achievement rate is 130% for all of the financial and individual performance objectives – will represent a maximum of 150% of his annual fixed compensation. At its meeting on February 16, 2023, the Board of Directors reviewed the achievement of the objectives set for the variable compensation payable to the Chief Executive Officer for 2022, after consultation with the Appointments and Compensation Committee. Following this review, it set Olivier Andriès' variable compensation for 2022 at €1,072,671, i.e., 134% of his annual fixed compensation. This amount reflects: ■ An overall achievement rate of 109% for the portion related to the Group's financial performance (accounting for two-thirds of the variable compensation), for which the objectives related to: ● recurring operating income (ROI) (60% weighting): 103% achievement; ● free cash flow (FCF) (30% weighting): 130% achievement; ● working capital, comprising the following components: ● operating assets (Inventories) (5% weighting): 74% achievement, and ● unpaid receivables (5% weighting): 92% achievement. ■ An overall achievement rate of 124.25% for the portion related to individual quantitative and qualitative performance objectives (accounting for one-third of the annual variable compensation), as detailed in section 6.6.3.2.b of the 2022 Universal Registration Document.

Compensation components put to the vote	Amounts paid during 2022	Amounts awarded for 2022 or accounting value	Presentation
Multi-year variable compensation	**N/A**[1]	**N/A**	No multi-year variable compensation was awarded to Olivier Andriès.
Exceptional compensation	**N/A**	**N/A**	Olivier Andriès did not receive any exceptional compensation.
Stock options, performance shares and any other long-term compensation	**Stock options: N/A**	**Stock options: N/A**	Olivier Andriès did not receive any stock options.
	For information, not subject to a shareholder vote at the Annual General Meeting of May 25, 2023: delivery in March 2022, at the end of the performance period, of 1,007 shares out of the 5,900 performance shares granted in 2019 to Olivier Andriès under his employment contract (see section 6.6.4.2.4 of the 2021 Universal Registration Document).	**Performance shares: €959,947.98** *(accounting value on grant date)*	On the recommendation of the Appointments and Compensation Committee, at its March 24, 2022 meeting, the Board of Directors used the authorization granted in the 30th resolution of the May 26, 2021 Annual General Meeting to grant 14,334 performance shares to Olivier Andriès (see section 6.6.3.2.c of the 2022 Universal Registration Document). The general terms and conditions of this performance share plan and the terms and conditions relating specifically to the Chief Executive Officer are described in section 6.6.5.2.1 of the 2022 Universal Registration Document. The estimated accounting value of these performance plans, as measured at the grant date, corresponds to €959,947.98[2].
	Other long-term compensation: **N/A**	Other long-term compensation: **N/A**	Olivier Andriès did not receive any other long-term compensation.
Directors' compensation	**N/A**	**N/A**	Olivier Andriès did not receive any compensation for his duties as member of the Board of Directors for 2022.
Value of benefits-in-kind	**N/A**	**€24,091.15** (accounting value)	Olivier Andriès has the use of a company car and is eligible for specific travel expenses.
Termination benefits	**N/A**	**N/A**	Olivier Andriès is not entitled to any termination benefits in his capacity as Chairman of the Board of Directors.
Supplementary pension			The Chief Executive Officer is not covered by any specific supplementary pension plan, other than those described below.
	€0	N/A	**Defined contribution pension plans (*plan d'épargne retraite obligatoire* – PERO)** The Chief Executive Officer is a beneficiary of "PERO – Core" and "PERO – Additional" plans set up on January 1, 2022 (see section 6.6.3.2.f of the 2022 Universal Registration Document) for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries. The commitment was approved at the Annual General Meeting of May 25, 2022, through the 13th resolution relating to the compensation policy for the Chief Executive Officer, which included said supplementary pension benefits. The expenses recorded in the 2022 financial statements relating to the contributions paid for Olivier Andriès under the PERO – Core Plan and the PERO – Additional Plan amounted to €12,135.12 and €14,191.92 respectively. At December 31, 2022, the estimated theoretical amount[3] of the annuities that could be paid to Olivier Andriès under the PERO – Core Plan and the PERO – Additional Plan amounted to €14,413.16 and €2,703.74 respectively.

<table>
<tr><th>Compensation components put to the vote</th><th>Amounts paid during 2022</th><th>Amounts awarded for 2022 or accounting value</th><th>Presentation</th></tr>
<tr><td></td><td>Additional payment: €135,373.56</td><td>N/A</td><td>“Article 82” defined contribution plan
The Chief Executive Officer is a beneficiary of Safran’s defined contribution supplementary pension plan set up in France (see section 6.6.3.2.f of the 2022 Universal Registration Document) for all Group managerial-grade staff pursuant to Article 82 of the French Tax Code (the “Article 82 Plan”), subject to the same terms and conditions as the other plan beneficiaries. The commitment was approved at the Annual General Meeting of May 25, 2022, through the 13th resolution relating to the compensation policy for the Chief Executive Officer, which included said supplementary pension benefits.
In order for entitlements to accrue under the plan, the Company is required to:
■ pay monthly contributions to an insurer, the rate of which is set based on the beneficiary’s reference compensation for year Y-1 (Insurer Contribution) and which may represent up to 12.735% of that reference compensation; and
■ pay a cash amount to the beneficiary corresponding to the Insurer Contribution (Additional Payment) so that the beneficiary can pay the applicable tax (the plan provides for up-front taxation so that the capital accrued and received on the beneficiaries’ retirement is net of tax and social security contributions).
The contributions to the Article 82 defined contribution plan are based on the annual fixed compensation and the annual variable compensation (subject to performance conditions, as defined in section 6.6.3.2.b of the 2022 Universal Registration Document) that the Chief Executive Officer receives for his role as Chief Executive Officer.
Under the Article 82 Plan, the Insurer Contribution and Additional Payment for the Chief Executive Officer for 2022 totaled €135,373.56 each (i.e., €270,747.12 altogether), corresponding in each case to 12.735% of his reference compensation (25.47% in total).
At December 31, 2022, the estimated theoretical amount(3) of the annuity that could be paid to Olivier Andriès under the Article 82 Plan was €22,017.56.</td></tr>
<tr><td></td><td>€0</td><td>N/A</td><td>“Article 39” defined benefit plan (closed to new entrants and entitlements frozen)
The Chief Executive Officer was previously a beneficiary of Safran’s defined benefit supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 39(4) of the French Tax Code (the “Article 39 Plan” – see section 6.6.3.2.f of the 2022 Universal Registration Document), subject to the same terms and conditions as the other plan beneficiaries. Olivier Andriès was originally a beneficiary of this plan in his former capacity as a Company employee. This plan is now closed to new entrants and the benefit entitlements have been frozen, including for the Chief Executive Officer.
In accordance with a decision taken by the Board of Directors on December 16, 2020, however, the Chief Executive Officer could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met (see section 6.6.2.1.g of the 2022 Universal Registration Document).
At December 31, 2022, the estimated theoretical amount(3) of the annuity that could be paid to Olivier Andriès corresponded to the cap set in the plan, i.e., €131,976 (corresponding to three times the annual social security ceiling [PASS], based on the 2023 value of the PASS).</td></tr>
</table>

(1) Not applicable.
(2) The value of the performance shares was estimated at the grant date (i.e., March 24, 2022) in accordance with IFRS 2 (see section 3.1, Note 3.r) and does not correspond to compensation received by the beneficiary during the year.
(3) Calculated based on the assumption that the annuity would be received as from January 1, 2023, irrespective of the eligibility conditions (in accordance with Article D.22-10-16 of the French Commercial Code).
(4) Defined benefit plan meeting the conditions set out in Article L.137-11 of the French Social Security Code.

Text of the twelfth resolution

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for 2022 to the Chairman of the Board of Directors

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and in application of Article L.22-10-34 II of the French Commercial Code, having considered the Board of Directors' corporate governance report prepared in accordance with Article L.225–37 of the French Commercial Code, the shareholders approve the fixed, variable and exceptional components making up the total compensation and benefits paid during or awarded for 2022 to Ross McInnes, Chairman of the Board of Directors, as presented in section 6.6.3.1 of the 2022 Universal Registration Document.

Text of the thirteenth resolution

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for 2022 to the Chief Executive Officer

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and in application of Article L.22-10-34 II of the French Commercial Code, having considered the Board of Directors' corporate governance report prepared in accordance with Article L.225–37 of the French Commercial Code, the shareholders approve the fixed, variable and exceptional components making up the total compensation and benefits paid during or awarded for 2022 to Olivier Andriès, Chief Executive Officer, as presented in section 6.6.3.2 of the 2022 Universal Registration Document.

Presentation of the fourteenth resolution – Vote on the total compensation paid to corporate officers in 2022 (Report on the compensation of corporate officers)

As every year, the shareholders are invited to vote on the aggregate compensation and benefits paid during the previous year or awarded for that year to all corporate officers, executive and non-executive.

The disclosures on which the shareholders are required to vote are presented in the report on the compensation of corporate officers (see sections 6.6.3 and 6.6.4 of the 2022 Universal Registration Document).

In addition to the disclosures concerning the compensation and benefits of the Chairman of the Board, Ross McInnes, and the Chief Executive Officer, Olivier Andriès, which will be put to the vote in the 12th and 13th resolutions presented above, they include disclosures on the compensation allocated to the Directors (see section 6.6.4 of the 2022 Universal Registration Document), pay ratios between the level of compensation of the Chairman and the Chief Executive Officer and the average and median compensation of Safran's employees (see section 6.6.3.4 of the 2022 Universal Registration Document), and a certain number of other disclosures required under the applicable regulations (specifically, Article L.22-10-9 I of the French Commercial Code).

A concordance table for all of these disclosures is provided in section 6.7 of the 2022 Universal Registration Document.

Text of the fourteenth resolution

Approval of the disclosures required under Article L.22-10-9 I of the French Commercial Code concerning the compensation of corporate officers for 2022

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and in application of Article L.22-10-34 of the French Commercial Code, having considered the Board of Directors' corporate governance report prepared in accordance with Article L.225-37 of the French Commercial Code, the shareholders approve the disclosures required under Article L.22-10-9 I of the French Commercial Code, as presented in the aforementioned report.

Compensation policies (*ex-ante*)

Presentation of the fifteenth to seventeenth resolutions

In compliance with Articles L.22-10-8 and R.22-10-14 of the French Commercial Code, the Board of Directors determines a compensation policy for the corporate officers, which sets out the principles and criteria used to determine, allocate and award the fixed, variable and exceptional components of their total compensation and benefits.

By nature and by construction, taking into account compensation-related governance rules, the components of the policies are specific and different, depending on whether they concern the Chairman of the Board, the Chief Executive Officer or the Directors, all of whom are corporate officers. These policies are submitted for shareholders' approval each year at the Annual General Meeting.

These specific policies are disclosed in sections 6.6.1 and 6.6.2 of the 2022 Universal Registration Document and in the "Compensation policies for corporate officers – 2023" sub-section of this notice of meeting. This section presents:

- the principles and rules for determining the compensation and benefits for all corporate officers;
- the specific compensation policy for the Chairman of the Board of Directors. No changes have been made that alter the substance of this policy compared with the compensation policy approved at the last Annual General Meeting;
- the specific compensation policy for the Chief Executive Officer, which may be adapted and applied to any Deputy Chief Executive Officer(s) who may be appointed in the future. No changes have been made that alter the substance of this policy compared with the compensation policy approved at the last Annual General Meeting. The adjustments to this policy proposed to the Annual General Meeting are described in the "Compensation policies for corporate officers – 2023" sub-section of this notice of meeting and in section 6.6.2 of the 2022 Universal Registration Document; they concern the fixed compensation of the Chief Executive Officer and one parameter of his annual variable compensation;
- the specific compensation policy for Directors, the principles, and terms and conditions of which are unchanged compared with those approved at the May 25, 2022 Annual General Meeting.

The 2023 policies have been approved by the Board of Directors and will be submitted to a shareholder vote at the Annual General Meeting on May 25, 2023.

At the May 25, 2023 Annual General Meeting, shareholders are invited to approve the compensation policies that will be applicable for 2023 to the Chairman of the Board of Directors (15th resolution) and the Chief Executive Officer (16th resolution), as well as the compensation policy that will be applicable to the Directors (17th resolution).

Text of the fifteenth resolution

Approval of the compensation policy applicable to the Chairman of the Board of Directors

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report on the compensation policy applicable to corporate officers prepared in accordance with Article L.22-10-8 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Chairman of the Board of Directors, as presented in sections 6.6.1 and 6.6.2.1 of the 2022 Universal Registration Document.

Text of the sixteenth resolution

Approval of the compensation policy applicable to the Chief Executive Officer

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report on the compensation policy applicable to corporate officers prepared in accordance with Article L.22-10-8 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Chief Executive Officer, as presented in sections 6.6.1 and 6.6.2.2 of the 2022 Universal Registration Document.

Text of the seventeenth resolution

Approval of the compensation policy applicable to the Directors

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report on the compensation policy applicable to corporate officers prepared in accordance with Article L.22-10-8 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Directors, as presented in sections 6.6.1 and 6.6.2.3 of the 2022 Universal Registration Document.

Authorization for the Board of Directors to carry out a share buyback program

Presentation of the eighteenth resolution

Share buyback program

The Company needs to have the necessary flexibility to react to changes in financial markets by buying back Safran shares.

The shareholders are therefore invited to renew the authorization given to the Board of Directors to carry out a share buyback program, with the following main conditions:

- the number of shares that may be bought back may not exceed 10% of the Company's total outstanding shares (for information purposes, 42,724,597 shares based on the issued capital at December 31, 2022) and the Company may at no time, directly or indirectly, hold a number of Safran shares representing more than 10% of the Company's capital;
- the shares may be purchased, sold or transferred by any authorized method, including through block trades for all or some of the program, subject to the regulations in force at the date on which the authorization is implemented.

Subject to the limits authorized by the applicable laws and regulations, the Board of Directors may use this authorization at any time during the period of validity of the buyback program, except during, or in the run-up to, a public offer for the Company's shares, when this authorization may not be used and the Company may not pursue the execution of a share buyback program unless specifically authorized by shareholders in General Meeting.

Generally, Safran sets the maximum purchase price at around 130% of the highest closing price of the Safran share over the 12 months preceding the pricing date. The shareholders are invited to set the maximum price at €175 per share. The maximum amount that could be invested in the program would be €7.4 billion. The maximum purchase price does not represent a target price.

The objectives of this share buyback program are set out in the text of the 18th resolution below and are identical to those of the previous authorization given to the Board of Directors by the Annual General Meeting.

This authorization would be given for a period of 18 months and would supersede the previous authorization granted for the same purpose in the 15th resolution of the Annual General Meeting of May 25, 2022.

Report on the utilization in 2022 of previous shareholder-approved share buyback programs

On October 28, 2022, Safran announced that it would buy back up to 9.4 million of its own shares (approximately 2.2% of its share capital) with a view to eliminating the potential dilution risk related to its convertible bonds maturing in 2027 (see section 7.2.3.2 of the 2022 Universal Registration Document). To this end, on November 14, 2022, Safran entered into an agreement with an investment services provider for the implementation of an initial tranche of this buyback program, for a maximum amount of €325 million, to be completed between November 15, 2022 and December 28, 2022 at the latest. A total of 2,373,547 shares were bought back under the program, for a total investment of €275 million.

In 2022, the aggregate number of shares purchased under the liquidity agreement entered into with Oddo BHF SCA amounted to 3,247,326.

The total number of shares sold under this liquidity agreement during the year amounted to 3,269,070.

At December 31, 2022, Safran held 2,687,189 of its own shares, representing 0.63% of its capital.

These treasury shares were held for the following purposes:

- for allocation or sale to employees: 78,307 shares, representing 0.02% of the Company's capital;
- to cover exchangeable debt securities: 2,386,747 shares, representing 0.56% of the Company's capital;
- to maintain a liquid market in the Company's shares via a liquidity agreement: 222,135 shares, representing 0.05% of the Company's capital;
- for cancellation: 0.

Text of the eighteenth resolution

Authorization for the Board of Directors to carry out a share buyback program

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, the shareholders grant the Board of Directors – or any representative duly empowered in accordance with the law – an authorization to purchase, directly or indirectly, the Company's shares in accordance with the conditions set out in Articles L.22-10-62 *et seq.* of the French Commercial Code and EC Regulation No. 596/2014 dated April 16, 2014, as well as any other laws and regulations that may be applicable in the future.

The authorization may be used to purchase shares:

- to maintain a liquid market in the Company's shares via a liquidity agreement that complies with the Code of Ethics drawn up by the French association of financial and investment firms (*Association française des marchés financiers* – AMAFI) approved by the AMF, and entered into with an investment services firm;
- for allocation or sale to employees and/or corporate officers of the Company or other Group companies, in accordance with the terms and conditions provided for by law, notably in connection with a profit-sharing plan, free share grants, the exercise of stock options, the Group employee savings plan, or any company employee savings plan in place within the Group;
- for delivery on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- to hold in treasury for subsequent delivery in payment or exchange for external growth transactions; and
- for cancellation, pursuant to the share capital reduction authorization in effect, granted by the Annual General Meeting.

This authorization is also designed to enable any future market practices permitted by the AMF to be carried out and, more generally, to enable any other operations authorized by the applicable regulations. The Company will inform its shareholders in a press release prior to carrying out any such operations.

Shares may be purchased, sold, or transferred by any method allowed under the applicable laws and regulations, on one or more occasions, including, in accordance with the regulations in force at the date of this Meeting, over the counter and through block trades for all or part of the program, as well as through the use of derivative financial instruments.

The Board of Directors may use this authorization at any time subject to the limitations set down by the applicable laws and regulations, except during, or in the run-up to, a public offer for the Company's shares.

The number of shares that may be bought back under this authorization may not exceed 10% of the Company's total outstanding shares (for information purposes, 42,724,597 shares based on the issued capital at December 31, 2022). This ceiling is reduced to 5% for shares acquired for the purpose of being held in treasury for subsequent delivery in payment or exchange for external growth transactions. When shares are bought back for the purpose of maintaining a liquid market in the Company's shares via a liquidity agreement, the number of shares included in the calculation of the 10% ceiling corresponds to the number of shares purchased less any shares sold during the period covered by this authorization.

Under no circumstances may the Company hold more than 10% of its capital, either directly or indirectly through a person acting in their own name but on behalf of the Company.

The shares may not be purchased at a price of more than €175 per share and the maximum amount that may be invested in the program is €7.4 billion. However, the Board of Directors may adjust this maximum purchase price to take into account the impact on the share price of any corporate actions.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to carry out this share buyback program, set the applicable terms and conditions, make the required adjustments as a result of any corporate actions, place any and all buy and sell orders, enter into any and all agreements notably for the keeping of registers of share purchases and sales, make any and all filings with the AMF and any other organization, carry out all other formalities, and generally do everything necessary to use this authorization.

This authorization is given for a period of 18 months from the date of this Meeting and supersedes the unused portion of the authorization given to the Board of Directors for the same purpose in the 15th resolution of the Annual General Meeting of May 25, 2022.

Extraordinary resolutions

Financial authorizations

Safran needs to have the flexibility required to raise financing swiftly to support the ongoing operations and business development of the Company and of the Group, based on opportunities arising in financial markets and using the most suitable financial instruments.

To this end, shareholders are invited to grant the Board of Directors the necessary authorizations to issue shares and/or securities carrying immediate or deferred rights to shares of the Company.

These authorizations are of particular importance in a crisis period, such as the recent Covid-19 health crisis, where the Board of Directors and Executive Management must demonstrate responsiveness and agility to preserve the Group's resources and liquidity and maintain the continuity of its operations.

These authorizations could not be used during, or in the run-up to, a public offer for the Company's shares.

They would supersede the previous authorizations granted to the Board of Directors for the same purpose.

A summary table, provided in section 8.2.6 of the 2022 Universal Registration Document and below, sets out the financial authorizations that the shareholders are being asked to approve.

Ceilings

The authorizations given in these resolutions would enable the Board of Directors to increase the Company's capital by a maximum nominal amount of €20 million (blanket ceiling set in the 19th resolution), corresponding to a maximum of 100 million shares and representing less than 24% of the Company's capital.

The following individual ceilings provided for in the various resolutions are included in this blanket ceiling (expressed in terms of nominal value):

- €20 million ceiling applicable to capital increases carried out with pre-emptive subscription rights for existing shareholders (19th resolution);
- €8 million ceiling (less than 10% of the Company's capital) applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*) (20th resolution);

- €8 million ceiling applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company (21st resolution);
- €8 million ceiling applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2, 1° of the French Monetary and Financial Code (22nd resolution);
- ceiling currently equal to 15% of any issues carried out pursuant to the 19th to 22nd resolutions which are oversubscribed (23rd resolution), also subject to the ceiling applicable in the relevant resolution.

The blanket ceiling set in the 19th resolution also includes any capital increases carried out as a result of employee share issues, which are capped at 1% of the Company's capital (25th resolution, see section 8.2.2.2 of the 2022 Universal Registration Document and below).

None of the above ceilings include the par value of any additional shares that may be issued in the event of further corporate actions, in accordance with the applicable laws and regulations and any contractual provisions, to protect the rights of existing holders of securities carrying rights to shares of the Company or beneficiaries of free share grants.

If the authorizations granted in the 19th to 22nd resolutions were to be used to issue debt securities, the aggregate nominal amount of said debt securities would not exceed €2 billion (or the euro-equivalent of this amount at the issue date for issues denominated in foreign currency or a monetary unit determined by reference to a basket of currencies).

Sub-ceilings applicable to issues carried out without pre-emptive subscription rights for existing shareholders

Issues carried out without pre-emptive subscription rights for existing shareholders (pursuant to the 20th to 22nd resolutions) are subject to a cumulative sub-ceiling of €8 million for capital increases (less than 10% of the Company's capital) and €2 billion for issues of debt securities.

Use of previous authorizations

The financial authorizations given to the Board of Directors at the May 26, 2021 Annual General Meetings were used as follows:

- The authorizations granted to the Board of Directors in the 24th and 25th resolutions of the May 26, 2021 Annual General Meeting, in order to carry out one or several issues through an offering of financial securities to qualified investors, without pre-emptive subscription rights for existing shareholders, of bonds convertible and/or exchangeable for new and/or existing ordinary shares ("OCEANE" bonds), with an overallotment option where applicable, were used in June 2021 (see section 7.2.3.2 of the 2022 Universal Registration Document).
- The authorization to make free share grants of the Company's existing shares or shares to be issued granted to the Board of Directors in the 30th resolution of the May 26, 2021 Annual General Meeting was used in March 2022 and March 2023 (see section 7.3.7.1 of the 2022 Universal Registration Document).

The other authorizations with respect to share capital increases granted to the Board of Directors by the Annual General Meeting were not used in 2022 nor between January 1, 2023 and the filing date of the 2022 Universal Registration Document.

Presentation of the nineteenth resolution

Issue of various shares and/or other securities with pre-emptive subscription rights, and blanket ceiling for capital increases with or without pre-emptive subscription rights

The purpose of the 19th resolution is to authorize the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders. The pre–emptive rights granted to existing shareholders may be detached from the shares to which they relate and may be transferred or traded throughout the subscription period of any issues carried out under this authorization.

These pre-emptive subscription rights would entitle their holders to subscribe for a number of new shares proportionate to the number of pre-emptive rights held, during a period corresponding to at least five trading days from the opening of the subscription period.

The Board of Directors would be able to use this authorization at any time **except during, or in the run-up to, a public offer** for the Company's shares.

The maximum nominal amount of any capital increases carried out pursuant to this resolution – either immediately or on the exercise of rights to shares of the Company – would be set at €20 million (representing approximately 23.4% of the Company's capital).

This €20 million ceiling corresponds to a **blanket ceiling covering all of the capital increases**, with or without pre-emptive subscription rights, that may be carried out pursuant to this resolution as well as the 20th to 22nd and 25th resolutions.

The maximum principal amount of any debt securities issued would be set at €2 billion. The nominal amount of any capital increases resulting from the exercise of rights attached to debt securities carrying rights to shares of the Company would be included in the €20 million blanket ceiling on capital increases set in the 19th resolution.

This €2 billion ceiling corresponds to a blanket ceiling covering the principal amount of all debt securities that may be issued pursuant to this resolution as well as the 20th to 22nd resolutions.

This authorization would supersede, as of the date of this Meeting, the unused portion of any previous authorization granted for the same purpose.

Text of the nineteenth resolution

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares, and blanket ceiling for capital increases with or without pre-emptive subscription rights

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2 and L.225-132 of the French Commercial Code, as well as Articles L.228-91 *et seq.* of said Code, and having noted that the share capital has been fully paid up, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, shares or other securities, with pre-emptive subscription rights for existing shareholders. The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad, and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies. This authorization may be used to issue:
   - ordinary shares; and/or
   - securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company; and/or
   - securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly ("a Subsidiary").

   The securities carrying rights to shares of the Company or a Subsidiary may consist of debt securities, or be associated with the issue of debt securities or allow their issue as intermediate securities, and said debt securities may represent senior or junior debt, may be dated or undated, and may be denominated in euros or in any other currency.

   The shares or securities may be paid up in cash, or by capitalizing liquid and callable debt, or partly in cash and partly by capitalizing reserves, retained earnings, profits or additional paid-in capital.

   However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:
   - the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either immediately or on the exercise of rights to shares of the Company – is set at €20 million corresponding to 100 million shares. This €20 million ceiling represents a blanket ceiling covering all of the capital increases that may be carried out under this authorization and the authorizations granted in the 20th to 22nd and 25th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company;
   - the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This €2 billion ceiling (i) represents a blanket ceiling covering the principal amount of all debt securities that may be issued under this authorization and the authorizations granted in the 20th to 22nd resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (ii) is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code, and (iii) does not include the amount of any redemption premiums.

     For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve that existing shareholders will have pre-emptive rights to subscribe for the securities issued pursuant to this authorization, in proportion to their existing holdings.

4. Note that in accordance with the law, the Board of Directors may grant shareholders additional pre-emptive rights to subscribe for any securities not taken up by other shareholders exercising their pre-emptive subscription rights. Such additional rights will also be exercisable in proportion to shareholders' existing holdings and within the limits of their requests.

5. Resolve that if an issue is not taken up in full by shareholders exercising their pre-emptive rights as described above, the Board of Directors may take one or more of the following courses of action, in accordance with the law and in the order of its choice:
   - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
   - freely allocate all or some of the unsubscribed securities;
   - offer some or all of the unsubscribed securities on the open market, either in France or abroad.

6. Resolve that Safran stock warrants may be offered for subscription on the above basis or allocated without consideration to existing shareholders. In the latter case, the Board of Directors will have full powers to decide that rights to fractions of warrants will not be transferable or tradable and that the corresponding warrants will be sold.

7. Resolve that the Board of Directors may suspend the exercise of rights attached to securities with immediate or deferred rights to shares of the Company in accordance with the applicable regulations, and make any adjustments in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company.

8. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company or a Subsidiary;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level;
- in the case of the issue of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company or a Subsidiary, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Presentation of the twentieth to twenty-second resolutions

Issue of shares and/or other securities without pre-emptive subscription rights

The purpose of the 20th to 22nd resolutions is to authorize the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders. The waiver of shareholders' pre-emptive subscription rights would make it easier to carry out public offers, especially when an issue has to be organized swiftly in order for it to be successful, or when shares or other securities are offered in financial markets both in France and abroad.

The Board of Directors would be able to use these authorizations at any time **except during, or in the run-up to, a public offer** for the Company's shares.

The maximum nominal amount of any capital increases carried out using these three authorizations would be set (both per authorization and cumulatively) at €8 million, representing less than 10% of the Company's capital. The amounts used under these authorizations would be included in the blanket ceiling set in the 19th resolution.

The maximum principal amount of any debt securities issued using these three authorizations would be set (both per authorization and cumulatively) at €2 billion. The amounts used under these authorizations would be included in the €2 billion blanket ceiling set in the 19th resolution. The nominal amount of any capital increases resulting from the exercise of rights attached to debt securities carrying rights to shares of the Company would be included in the €8 million individual and cumulative ceiling set in the 20th to 22nd resolutions (and therefore in the blanket ceiling set in the 19th resolution).

These authorizations would supersede, as of the date of this Meeting, the unused portions of all previous authorizations for the same purpose:

20th resolution (public offers other than offers governed by Article L.411-2, 1° of the French Monetary and Financial Code). In this resolution, the Board is seeking an authorization to issue ordinary shares and/or securities carrying rights to shares of the Company, by way of a public offer. If this resolution is adopted, the Board of Directors would be able to grant shareholders a non-transferable and non-tradable priority subscription right for a period set in accordance with the applicable laws and regulations.

21st resolution (issues carried out in the event of a public exchange offer initiated by the Company). The purpose of this resolution is to authorize the Board to issue shares of the Company and/or securities carrying rights to shares of the Company as payment for securities of another company that are tendered to a public exchange offer initiated by the Company in France or abroad.

22nd resolution (offers governed by Article L.411-2, 1° of the French Monetary and Financial Code). This resolution would authorize the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, by way of an offer carried out through an offer to qualified investors or a restricted group of investors. The simplified procedure for this type of public offer, as proposed in the 22nd resolution, would enable the Company to react swiftly to market opportunities and rapidly raise the funds it requires.

Text of the twentieth resolution

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2, 1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129 *et seq.*, L.225-129-2, L.225-135, L.22-10-51, L.225-136 and L.22-10-52 of the French Commercial Code, as well as Articles L.228-91 *et seq.* of said Code, and having noted that the share capital has been fully paid up, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, shares or other securities, through a public offer in France or abroad. The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies. This authorization may be used to issue:

- ordinary shares; and/or
- securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company; and/or
- securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly ("a Subsidiary").

The securities carrying rights to shares of the Company or a Subsidiary may consist of debt securities, or be associated with the issue of debt securities or allow their issue as intermediate securities, and said debt securities may represent senior or junior debt, may be dated or undated, and may be denominated in euros or in any other currency.

The shares or securities may be paid up in cash, or by capitalizing liquid and callable debt, or partly in cash and partly by capitalizing reserves, retained earnings, profits or additional paid-in capital.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:

- the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either immediately or on the exercise of rights to shares of the Company – is set at €8 million. This €8 million ceiling (i) represents an overall ceiling on the nominal amount of the capital increases that may be carried out under this authorization and the authorizations granted in the 21st to 22nd resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), and (ii) is included in the blanket ceiling set in the 19th resolution (or in any ceiling set in a resolution with the same purpose that could supersede the aforementioned resolution during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company;
- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies), it being specified that (i) this €2 billion ceiling represents a blanket ceiling covering the principal amount of all debt securities that may be issued under this authorization and the authorizations granted in the 21st to 22nd resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (ii) the principal amount of any debt securities that may be issued under this authorization will be deducted from the blanket ceiling set in the 19th resolution of this Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (iii) this amount is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code, and (iv) does not include the amount of any redemption premiums.

  For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve to waive shareholders' pre-emptive rights to subscribe for the shares and/or other securities to be issued under this authorization. However, in accordance with Article L.22-10-51 and Article R.225-131 of the French Commercial Code, the Board of Directors may offer existing shareholders a priority right to subscribe for all or part of any issue(s) carried out under this authorization for a period set in accordance with the applicable laws and regulations. Such priority rights will not be transferable or tradable and will be exercisable in proportion to shareholders' existing interests.

4. Resolve that if an issue is not taken up in full (including by shareholders exercising their above-mentioned priority rights), the Board of Directors may take one or the other of the following courses of action, in accordance with the law and in the order of its choice:
   - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
   - freely allocate all or some of the unsubscribed securities.
5. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.
6. Resolve that the issue price of the shares or securities carrying rights to shares will be at least equal to the minimum price provided for in the laws and regulations in force on the issue date (for information purposes, corresponding at the date of this Meeting to a price at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 10%).

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company or a Subsidiary;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to shares of the Company, in accordance with the applicable laws, regulations and contractual provisions;
- in the case of the issue of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company or a Subsidiary, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Text of the twenty-first resolution

Authorization for the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2 to L.225-129-6, L.22-10-49, L.22-10-54, L.225-132 and L.228-91 *et seq.* of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to issue ordinary shares of the Company and/or securities carrying immediate or deferred rights to shares of the Company as payment for securities of another company tendered to a public exchange offer initiated by the Company. The shareholders further authorize the Board to cancel existing shareholders' pre-emptive rights to subscribe for the shares and/or other securities issued under this authorization.

   The securities carrying rights to shares of the Company may consist of debt securities, or be associated with the issue of debt securities or allow their issue as intermediate securities, and said debt securities may represent senior or junior debt, may be dated or undated, and may be denominated in euros or in any other currency.

This authorization may be used in connection with any public exchange offer initiated by the Company, in France or abroad, for the securities of another company listed on one of the regulated markets referred to in Article L.22-10-54 of the French Commercial Code, or any other type of public offer that complies with the applicable laws and regulations, including notably any public exchange offer, any alternative public purchase or exchange offer, any stock-for-stock and stock-for-cash purchase or exchange offer, any public purchase or exchange offer combined with a secondary purchase or exchange offer, or any other type of public offer that complies with the applicable laws and regulations.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless (i) the Company has already announced its own public offer prior to that period, and (ii) it obtains the prior approval of the shareholders in a General Meeting.

2. Note that in accordance with Article L.225-132 of the French Commercial Code, in the event of an issue of securities carrying immediate or deferred rights to shares of the Company, this authorization entails the waiver by existing shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.

3. Resolve that if the Board of Directors uses this authorization:

- the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either immediately or on the exercise of rights to shares of the Company – is set at €8 million. This ceiling is included in the €8 million overall ceiling set in the 20th resolution above and the blanket ceiling set in the 19th resolution (or any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company;
- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling is (i) included in the €2 billion overall ceiling set in the 20th resolution of this Annual General Meeting and is deductible from the blanket ceiling set in the 19th resolution (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (ii) is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code, and (iii) does not include the amount of any redemption premiums.

  For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

4. Resolve that the Board of Directors will have full powers to use this authorization, in particular to carry out issues of shares and/or securities carrying immediate or deferred rights to shares of the Company in connection with public offers that fall within the scope of this resolution, and notably to:

- set the exchange ratio as well as any balance to be paid in cash;
- place on record the number of securities tendered to the exchange;
- determine the timing and other terms and conditions of the issue(s) and notably the price and cum-rights date (which may be retroactive) of the securities issued in accordance with this resolution;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to shares of the Company, in accordance with the applicable laws, regulations and contractual provisions;
- credit the difference between the issue price of the new shares and their par value to a "contribution premium" account to which all shareholders will have equivalent rights;
- charge all the issuance costs against the contribution premium; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Text of the twenty-second resolution

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2, 1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129 *et seq.*, L.225-129-2, L.225-135, L.225-136, L.22-10-49, L.22-10-51 and L.22-10-52 of the French Commercial Code, as well as Articles L.228-91 *et seq.* of said Code and Article L.411-2, 1° of the French Monetary and Financial Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, ordinary shares and/or securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company, through an offer governed by Article L.411-2, 1° of the French Monetary and Financial Code. The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad, and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies. This authorization may be used to issue:
   - ordinary shares; and/or
   - securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company; and/or
   - securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly ("a Subsidiary").

   The securities carrying rights to shares of the Company or a Subsidiary may consist of debt securities, or be associated with the issue of debt securities or allow their issue as intermediate securities, and said debt securities may represent senior or junior debt, may be dated or undated, and may be denominated in euros or in any other currency.

   The shares or securities may be paid up in cash, or by capitalizing liquid and callable debt, or partly in cash and partly by capitalizing reserves, retained earnings, profits or additional paid-in capital.

   However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:
   - the maximum nominal amount of capital increases that may be issued pursuant to this authorization – either immediately or on the exercise of rights to shares of the Company – will be €8 million. This ceiling is included in the €8 million overall ceiling set in the 20th resolution above and the blanket ceiling set in the 19th resolution (or in any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company;
   - the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling is (i) included in the €2 billion overall ceiling set in the 20th resolution of this Annual General Meeting and is deductible from the blanket ceiling set in the 19th resolution (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), (ii) is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code, and (iii) does not include the amount of any redemption premiums.

     For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve to waive shareholders' pre-emptive rights to subscribe for the shares and/or other securities to be issued under this authorization.

4. Resolve that if an issue is not taken up in full, the Board of Directors may limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up.

5. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.

6. Resolve that the issue price of the shares or securities carrying rights to shares will be at least equal to the minimum price provided for in the laws and regulations in force on the issue date (for information purposes, corresponding at the date of this Meeting to a price at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 10%).

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company or a Subsidiary;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to shares of the Company, in accordance with the applicable laws, regulations and contractual provisions;
- in the case of the issue of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company or a Subsidiary, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Presentation of the twenty-third resolution

In the 23rd resolution, the Board of Directors is seeking an authorization to increase the number of securities to be issued in the event that an issue carried out with or without pre-emptive subscription rights as decided by the Board of Directors pursuant to the 19th, 20th, 21st or 22nd resolutions is oversubscribed.

The Board of Directors would be able to use this authorization at any time **except during, or in the run-up to, a public offer** for the Company's shares. The additional securities would be issued at the same price as for the original issue in accordance with the timeframes and ceilings specified in the applicable laws and regulations in force on the issue date (currently, they must be issued within 30 days of the close of the original subscription period and may not represent more than 15% of the original issue amount). The sub-ceilings and ceilings set in the 19th, 20th, 21st and 22nd resolutions would apply if the 23rd resolution is used. Any issues of additional securities carried out under this resolution may not result in the ceiling(s) set in the original resolution being exceeded.

This authorization would supersede, as of the date of this Meeting, the unused portion of any previous authorization granted for the same purpose.

Text of the twenty-third resolution

Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 19th, 20th, 21st or 22nd resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares.

Having considered the Board of Directors' report, in accordance with French company law, notably Articles L.225-135-1, L.22-10-51 and R.225-118 of the French Commercial Code, and subject to the adoption of the 19th, 20th, 21st or 22nd resolutions, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights as decided by the Board of Directors pursuant to the 19th, 20th, 21st or 22nd resolutions, notably in order to grant an overallotment option in accordance with standard market practices. The additional securities will be issued at the same price as for the original issue in accordance with the timeframes and ceilings specified in the applicable laws and regulations in force on the issue date (currently, they must be issued within 30 days of the close of the original subscription period and may not represent more than 15% of the original issue amount). In the case of an issue carried out with pre-emptive subscription rights, any additional securities issued pursuant to this resolution may only be offered to shareholders in proportion to their existing holdings.

   However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that the nominal amount of any capital increases carried out as a result of the shares or other securities issued pursuant to this resolution will be included in the ceiling(s) provided for in the resolution under which the original issue is decided (or in any ceiling(s) set in any resolution with the same purpose that could supersede the resolution concerned during the validity period of this authorization).

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Presentation of the twenty-fourth resolution

Capitalization of reserves, retained earnings, profits or additional paid-in capital

The purpose of the 24th resolution is to authorize the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital brought forward from prior years.

The aggregate nominal amount of any capital increases carried out pursuant to this resolution would not exceed €12.5 million.

The Board of Directors would be able to use this authorization at any time **except during, or in the run-up to, a public offer for the Company's shares**.

Text of the twenty-fourth resolution

Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in extraordinary session but in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2 and L.225-130 of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital, on one or more occasions, to be paid up by capitalizing reserves, retained earnings, profits or additional paid-in capital and/or other items that may be capitalized in accordance with the applicable laws and the Company's bylaws, by issuing bonus shares and/or raising the par value of existing shares. The amounts and timing of such issues will be determined at the Board's discretion.

   However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that the maximum nominal amount of any capital increases carried out pursuant to this authorization will not exceed €12.5 million, not including the par value of any additional shares to be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company.

3. Resolve that rights to fractions of shares will not be transferable or tradable and that the corresponding shares will be sold, with the proceeds allocated to the holders of the rights in accordance with the applicable laws.

   The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization and to take any and all measures and carry out any and all formalities required to successfully complete the capital increase(s), as well as to place on record the capital increase(s) and amend the Company's bylaws to reflect the new capital.

   This authorization is given for a period of 26 months from the date of this Meeting.

Employee share issues

Presentation of the twenty-fifth resolution

Share capital increase reserved for employees

In the 25th resolution, shareholders are invited to authorize the Board of Directors to offer employees who are members of a Group employee savings plan the possibility to subscribe for the Company's shares with a view to involving them more closely in the Group's development.

This resolution is being submitted in accordance with paragraph 1 of Article L.225-129-6 of the French Commercial Code, which states that whenever companies seek authorizations to issue shares to be paid up in cash, they must also submit a resolution on employee share issues.

If this authorization is approved, it will necessarily entail the waiver of existing shareholders' pre-emptive rights to subscribe for the shares covered by the employee share issue(s) concerned.

Employee shareholdings (within the meaning of Article L.225-102 of the French Commercial Code) represented 6.54% of the Company's capital at February 28, 2023.

Shares issued under this resolution could not exceed 1% of the Company's capital and would be included in the €20 million blanket ceiling on capital increases set in the 19th resolution.

In accordance with Article L.3332-19 of the French Labor Code (*Code du travail*), the purchase price of the shares offered to employees may not be higher than the average price over the 20 trading days preceding the Board of Directors' decision setting the opening date for the subscription period. In addition, it may not be more than 30% below this average, or 40% depending on the lock-up period applicable under the employee savings plan, in accordance with Article L.3332-19 of the French Labor Code.

This authorization would supersede, as of the date of this Meeting, the unused portion of any previous authorization granted for the same purpose.

Text of the twenty-fifth resolution

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Group employee savings plan, without pre-emptive subscription rights for existing shareholders

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, and Articles L.3332-18 *et seq.* of the French Labor Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions and with or without consideration, ordinary shares or securities with immediate or deferred rights to ordinary shares of the Company to employees of the Company and of any French or foreign companies affiliated to it within the meaning of Article L.225-180 of the French Commercial Code, who are members of the Group employee savings plan or any company employee savings plan in place within the Group. The amounts and timing of such issues will be determined at the Board's discretion.

   Said shares or other securities may be paid up in cash or by capitalizing liquid and callable debt, or by capitalizing reserves, retained earnings, profits or additional paid-in capital in the case of shares or other securities carrying rights to shares allocated without consideration in respect of the discount and/or the employer's top-up contribution.

2. Resolve that the maximum nominal amount of any capital increases carried out pursuant to this authorization may not represent more than 1% of the Company's capital at the date of the Board of Directors' decision to carry out the issue, it being specified that (i) this ceiling does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to shares of the Company and (ii) the nominal amount of any capital increases carried out pursuant to this authorization will be included in the blanket ceiling for capital increases set in the 19th resolution of this Meeting (or in any ceiling set in any resolution with the same purpose that could supersede the aforementioned resolution during the validity period of this authorization).

3. Resolve that, in accordance with Article L.3332-19 of the French Labor Code, the purchase price of the shares offered to employees under this authorization may not be greater than the average price over the 20 trading days preceding the Board of Directors' decision setting the opening date for the subscription period, or more than 30% below this average, or 40% depending on the lock-up period applicable under the employee savings plan.

4. Resolve that the Board of Directors will have full powers to grant to the above beneficiaries, without consideration and in addition to the shares to be subscribed for in cash, new or existing shares or securities carrying immediate or deferred rights to shares, in place of all or part of the discount compared with the above reference price and/or the employer's top-up contribution, it being specified that the benefit resulting from such grants may not exceed the legal or regulatory limits as provided for in Articles L.3332–1 to L.3332-21 of the French Labor Code.

5. Note that this authorization automatically entails the waiver by existing shareholders of their pre-emptive rights to subscribe for the shares offered to employees under the issue(s) carried out under this resolution.

   The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization, and in particular to (i) set the terms and conditions of the capital increase(s), (ii) draw up the list of companies whose employees will be eligible for the share issue(s), (iii) set the conditions, particularly concerning length of service, that the beneficiaries will have to meet in order to subscribe, on an individual basis or through a corporate mutual fund, for the shares or other securities carrying rights to shares issued pursuant to this authorization, (iv) set the dates and terms and conditions of the issue(s), (v) set the start and end dates of the subscription period(s), (vi) determine the price and the cum-rights date of the shares issued, (vii) determine the method by which the shares will be paid up, (viii) charge the issuance costs against the related premium and deduct from the premium the amounts necessary to raise the legal reserve to the required level, and more generally (ix) take all appropriate measures and enter into any agreements to successfully complete the share issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the shares issued.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Capital reduction by canceling treasury shares

Presentation of the twenty-sixth resolution

In the 26th resolution, the Board of Directors is seeking an authorization to reduce the Company's capital by canceling all or some of the treasury shares purchased under share buyback programs previously authorized by shareholders as well as the new program proposed in the 18th resolution of this Meeting.

The Company may choose to cancel treasury shares in order to achieve certain financial objectives, such as actively managing its capital, optimizing its balance sheet structure or offsetting the dilutive impact of capital increases.

In compliance with the applicable law, the number of shares canceled in any 24-month period could not exceed 10% of the Company's capital.

This authorization would be given for a period of 24 months and would supersede any previous authorization for the same purpose.

The Board of Directors did not cancel any of the Company's shares during the year ended December 31, 2022.

Text of the twenty-sixth resolution

Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Article L.22-10-62 of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to reduce the Company's capital on one or more occasions, in the proportions and on the dates it deems appropriate, by canceling all or some of the treasury shares held by the Company as a result of implementing a share buyback program. The number of treasury shares that may be canceled within any 24-month period may not exceed 10% of the Company's capital. This 10% ceiling will apply to the amount of the Company's capital as adjusted, where applicable, to take into consideration any corporate actions that may be carried out after this Annual General Meeting.
2. Resolve that the Board of Directors – or any representative duly empowered in accordance with the law – will have full powers to implement this resolution and in particular to:
   - set the definitive amount of the capital reduction;
   - set the terms and conditions of the capital reduction and carry it out;
   - charge the difference between the carrying amount of the canceled shares and their par value against any available reserves and additional paid-in capital accounts;
   - place on record the completion of the capital reduction and amend the Company's bylaws accordingly; and
   - carry out any formalities and other measures and generally do everything necessary to implement this authorization.

This authorization is given for a period of 24 months from the date of this Meeting and supersedes, as of that date, any previous authorization for the same purpose.

Performance shares (free share grants)

Presentation of the twenty-seventh resolution

In the 27th resolution, shareholders are invited to authorize the Board of Directors to grant performance shares to (i) employees or certain categories of employees of the Company and/or of other Group entities, and/or (ii) corporate officers of the Company and/or other Group entities (except the Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law.

Performance share grants are a common method used by companies in order to strengthen the motivation and teamwork of beneficiaries and foster their loyalty, while at the same time aligning their interests with those of the Company and its shareholders. They are also in line with the strategy of linking the incentives of senior executives to share performance – with the inherent risks and rewards that this involves – in order to encourage long-term reasoning in their actions.

The Board of Directors would determine the beneficiaries of the grants and set the terms and conditions thereof as well as the applicable eligibility criteria.

The shares granted could either be new shares or existing shares bought back by the Company under the terms and conditions provided for by law.

This authorization would entail the waiver by existing shareholders of their pre-emptive rights to subscribe for any shares issued pursuant to this resolution.

This authorization would supersede, as of the date of this Meeting, the unused portion of any prior authorization for the same purpose.

The main characteristics of any performance share grants carried out using this authorization would be as follows:

Performance conditions

Performance share grants would be subject to the achievement of internal and external performance conditions, assessed over three full consecutive fiscal years, including the year of grant.

This rule would apply to all beneficiaries regardless of the weighting of the various conditions, which vary according to the different beneficiary categories.

Standard internal conditions applying to all beneficiaries

These standard internal performance conditions would count for at least 70% of the total for the beneficiaries and would be based on the Group's financial and economic performance as well as, by decision of the Board of Directors, on the Group's non-financial performance.

By way of illustration, the internal performance conditions applied for previous plans were as follows, it being specified that the elements of the performance conditions (criteria, threshold, target, etc.) are set by the Board of Directors:

Financial and economic performance

Under this set of internal conditions, the two standard internal performance conditions relating to the Group's financial and economic performance would be based on:

- ROI (adjusted recurring operating income, as discussed in section 2.1.2 of the 2022 Universal Registration Document);
- FCF (free cash flow, as discussed in section 2.2.3 of the 2022 Universal Registration Document);

each counting for half of the weighting assigned to these financial and economic conditions.

The achievement levels for these conditions would be measured by reference to the average of the ROI and FCF targets for the fiscal year in which the grant takes place and for the following two fiscal years, as set in the Group's most recent medium-term plan (MTP) or in the budget based on the MTP for the fiscal year in progress, as adjusted to factor in any exceptional circumstances or events and approved by the Board of Directors before the grant date (the "Reference Target"). The following achievement levels would be set for these conditions:

- lowest achievement level: if 80% of the Reference Target were achieved, 40% of the shares contingent on that target would vest;
- target achievement level: if 100% of the Reference Target were achieved, 80% of the shares contingent on that target would vest;
- highest achievement level (cap): if 125% of the Reference Target were achieved, 100% of the shares contingent on that target would vest.

Between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that would vest would vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the internal performance condition concerned would vest.

The performance criteria would be measured by comparing results against a same-scope reference base. If an entity is deconsolidated, the reference bases used for past grants would be adjusted to exclude the amounts related to the deconsolidated entity for the years concerned. For the first performance share grant after a new entity has been consolidated, additional performance conditions may be added. Past grants would continue to be measured, whenever possible, based on the previous scope of consolidation (i.e., not including the newly-consolidated entity).

Non-financial performance

Under this set of internal conditions, the non-financial condition(s) would relate to CSR and sustainable development objectives. These conditions, which would be defined by the Board of Directors prior to the grant date, could take into account the Group's medium-term priorities or strategic challenges on these issues. They would be quantifiable or measurable, making it possible to objectively monitor them and identify the actual achievement rate at the end of the performance period. They would be disclosed and their weighting would reduce the weighting of the internal financial and economic performance conditions.

For the 2022 grant, made on the basis of the authorization granted in the 30th resolution of the May 26, 2021 Annual General Meeting, the condition relating to non-financial performance accounts for 20% of the 70% allocated to standard internal conditions.

Possible additional performance conditions

As well as the portion attributed to the "standard" internal performance conditions, the Board of Directors may, at its discretion, apply additional demanding and quantifiable performance conditions for which it would define the parameters, to take into account the Group's medium-term priorities and challenges. In such a case, the additional performance conditions and their parameters, as defined by the Board of Directors prior to the grant, would be disclosed and their weighting would reduce the weighting of the "standard" internal performance conditions.

External performance condition

The external performance condition would 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 or enlarged to include other comparable companies operating in other sectors, or including or made up of one or more indices. The composition of this panel of peer companies may change in order to factor in changes in the structure or operations of the Group or of the peer companies concerned. The composite index currently used enables simultaneous comparison with the European market, the US market and the reference index for the French market. This composite index is made up of:

- the STOXX® Europe TMI Aerospace & Defense index (Stoxx A&D Net Return);
- the S&P Aerospace & Defense Industry Select index (S&P A&D);
- the CAC 40 index (CAC 40 Gross Return).

Each of these three indices counts for one-third of the composite index.

The external performance condition would count for 30% for the Chief Executive Officer, although the Board of Directors may, at its discretion, revise the weighting of this external condition, but to no less than 20%, in order to increase the weighting of the standard internal conditions to 80% where required, particularly if the Board believes that it would be useful or necessary to do so in light of the Group's strategic priorities and/or medium-term imperatives. If the Board does decide to revise this weighting, it will disclose this fact via a press release. For other beneficiaries, the external performance condition could count for a lower percentage, but would in any event not be less than 10%.

The following achievement levels would be set for this condition:

- lowest achievement level: if Safran's TSR were equal to that of the composite index, 40% of the shares contingent on the external performance condition would vest;
- target achievement level: if Safran's TSR were 8 points higher than that of the composite index, 80% of the shares contingent on the external performance condition would vest;
- highest achievement level: if Safran's TSR were 12 points higher than that of the composite index, 100% of the shares contingent on the external performance condition would vest;
- between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that would vest would vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the external performance condition would vest.

Under the rules of the performance share plan, the shares would only vest if the beneficiary still forms part of the Group on the vesting date, apart from in a limited number of cases (death, disability, retirement of the beneficiary or a specific decision by the Board of Directors).

Vesting and lock-up periods

The shares granted would be subject to a vesting period set by the Board of Directors, which may not be less than three years.

In addition, the shares granted to the Chief Executive Officer or other corporate officers of the Company would be subject to a lock-up period set by the Board of Directors, which may not be less than one year as from the vesting date. In principle, the minimum lock-up period of at least one year would also apply to members of the Company's Executive Committee; exceptions, however, may apply to some of them (other than the Company's Chief Executive Officer) in view of their nationality, tax residence or related personal situation. As an exception and for illustration purposes, the Board of Directors could set up an alternative arrangement allowing them to sell some of the shares delivered on the vesting date to cover the tax due on that date, and decide to waive the lock-up period if it would result in the double taxation of the beneficiary.

Ceilings

The total number of performance shares granted under this authorization would not exceed 0.4% of the Company's capital at the date of the Board of Directors' decision to grant the performance shares (main ceiling), within the limit of two-thirds of this percentage in any given fiscal year (sub-ceiling).

In addition, for each grant of performance shares, the maximum number of shares granted to each of the Company's corporate officers would be set at 5% of the total number of shares making up the grant (representing a sub-ceiling of 0.01% of the Company's capital per corporate officer and fiscal year).

Anticipated use

If it is approved by shareholders, in line with its long-term compensation policy (Long-Term Incentive Plan), the Board of Directors intends to use this authorization to set up annual performance share plans with the characteristics, performance conditions and ceilings described above.

Use of authorization previously granted

Using the authorization granted in the 30th resolution of the May 26, 2021 Annual General Meeting, the Board of Directors authorized grants of performance shares to certain managers and senior executives of the Group (top executives (*hors statut*) in certain categories corresponding to levels of responsibility in the human resources organization and young talents), first on March 24, 2022 (2022 Long-Term Incentive Plan, as described in sections 6.6.4.2.2 and 7.3.7.1 of the 2021 Universal Registration Document), and then on March 23, 2023 (2023 Long-Term Incentive Plan, as described in section 6.6.5.2.2 of the 2022 Universal Registration Document) (see the press releases available on the Company's website, **www.safran-group.com/group/governance**).

Text of the twenty-seventh resolution

Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and with performance conditions, to employees and corporate officers of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Articles L.225-197-1 *et seq.* and L.22-10-59 *et seq.* of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to grant, on one or more occasions, existing or new Safran shares, without consideration, to (i) employees or certain categories of employees of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code, and/or (ii) corporate officers of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code (except for the Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law. The amounts and timing of such grants will be determined at the Board's discretion.
2. Resolve that the total number of existing or new shares granted without consideration under this authorization may not exceed 0.4% of the number of shares making up the Company's share capital on the date of the Board of Directors' decision to grant the shares, within the limit of two-thirds of this percentage in any given fiscal year, it being specified that this ceiling takes into account any shares to be granted in respect of adjustments to be made, in accordance with the applicable laws and regulations and any contractual stipulations, to protect the rights of the beneficiaries of the performance shares.
3. Resolve that for each performance share grant, any shares granted to the Company's corporate officers in accordance with the conditions provided for by law may not represent more than 5% of the total number of shares making up the grant (per corporate officer).
4. Resolve that the shares granted pursuant to this authorization will be subject to performance conditions set by the Board of Directors based on the recommendations of the Appointments and Compensation Committee and assessed over a minimum period (the "vesting period") of three consecutive fiscal years, including the year of grant.
5. Resolve that the shares granted will be subject to a vesting period which will be set by the Board of Directors but may not be less than three years, followed, in certain cases, by a lock-up period whose duration will also be set by the Board of Directors.
6. Resolve that any performance shares granted to the Company's corporate officers will be subject to a lock-up period that will be set by the Board of Directors but may not be less than one year as from the vesting date.
7. Resolve that the shares will vest before the expiration of the above-mentioned vesting period and will be freely transferable before the expiration of the above-mentioned lock-up period in the event that the beneficiary becomes disabled, within the meaning of the definition set down in the second or third categories under Article L.341-4 of the French Social Security Code (or the equivalent in any foreign country).
8. Note that if new shares are issued for the purpose of allocating the performance shares, this authorization will result in capital increases paid up by capitalizing reserves, retained earnings, profits or additional paid-in capital as the shares vest, as well as a corresponding waiver by shareholders of their pre-emptive rights to subscribe for the shares issued as part of these capital increases.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization within the limits set by the applicable laws and regulations and in particular to:

- determine if the shares granted without consideration will be new shares or existing shares, it being specified that the Board may change its choice before the vesting date;
- draw up the list or categories of eligible beneficiaries of the shares, as well as the number of shares allocated to each beneficiary;

- where applicable, set and amend the applicable performance and vesting conditions, notably the duration of the vesting period and lock-up period, particularly concerning the Company's corporate officers and members of the Executive Committee;
- provide for the possibility to defer the vesting date of the shares granted, if necessary;
- provide for the possibility to provisionally suspend the beneficiaries' rights to receive the shares;
- place on record the vesting dates of the shares granted and the dates from which the shares may be freely transferred or sold;
- make any adjustments required during the vesting period to the number of free shares granted in order to protect the rights of beneficiaries, it being specified that the shares granted in connection with any such adjustments will be deemed to have been granted on the same date as the initial grant;
- in the event of the issue of new shares, (i) deduct, where applicable, from reserves, retained earnings, profits or additional paid-in capital, the amounts necessary to pay up the shares, (ii) place on record the capital increases carried out pursuant to this authorization, (iii) amend the Company's bylaws to reflect the new capital; and generally
- take all appropriate measures and enter into any and all agreements to successfully complete the share grants.

This authorization is given for a period of 26 months from the date of this Meeting and supersedes, as of that date, the unused portion of any previous authorization for the same purpose.

Presentation of the twenty-eighth resolution

In order to boost employee shareholding within the Group and share value, a proposal is being made to grant 10 shares to every employee worldwide.

In the 28th resolution, shareholders are therefore invited to authorize the Board of Directors to grant, on one occasion and without consideration, shares to all Group employees, in France and abroad, subject to the applicable regulatory framework in the beneficiaries' country of residence.

In accordance with their respective compensation policies, the Chief Executive Officer and the Chairman of the Company would be excluded from the grant.

The Board of Directors would draw up the list or geographic scope of the beneficiaries of the grants and set the terms and conditions thereof as well as the applicable eligibility criteria.

The shares granted could either be new shares or existing shares bought back by the Company under the terms and conditions provided for by law.

This authorization would entail the waiver by existing shareholders of their pre-emptive rights to subscribe for any shares issued pursuant to this resolution.

The main characteristics of the free share grant carried out using this authorization would be as follows:

No performance conditions

The free share grant would not be subject to performance conditions.

Vesting period – Continuing service condition

The shares granted would be subject to a vesting period set by the Board of Directors, which may not be less than two years.

Ceiling

The total number of free shares granted under this authorization would not exceed 0.3% of the Company's capital at the date of the Board of Directors' decision to grant the free shares (ceiling).

Text of the twenty-eighth resolution

Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and without performance conditions, to employees of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Articles L.225-197-1 *et seq.* and L.22-10-59 *et seq.* of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to grant existing or new Safran shares, without consideration, to employees or certain categories of employees of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code, it being specified that the Chief Executive Officer and the Chairman of the Company will be excluded from the grant made under this authorization. The amounts and timing of such grants will be determined at the Board's discretion.

2. Resolve that the total number of existing or new shares granted without consideration under this authorization may not exceed 0.3% of the number of shares making up the Company's share capital on the date of the Board of Directors' decision to grant the shares, it being specified that this ceiling takes into account any shares to be granted in respect of adjustments to be made, in accordance with the applicable laws and regulations and any contractual stipulations, to protect the rights of the beneficiaries of the performance shares.

3. Resolve that the shares granted would be subject to a vesting period set by the Board of Directors, which may not be less than two years.

4. Resolve that the shares will vest before the expiration of the above-mentioned vesting period and will be freely transferable before the expiration of the above-mentioned lock-up period in the event that the beneficiary becomes disabled, within the meaning of the definition set down in the second or third categories under Article L.341-4 of the French Social Security Code (or the equivalent in any foreign country).

5. Note that if new shares are issued for the purpose of allocating the free shares, this authorization will result in capital increases paid up by capitalizing reserves, retained earnings, profits or additional paid-in capital as the shares vest, as well as a corresponding waiver by shareholders of their pre-emptive rights to subscribe for the shares issued as part of these capital increases.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization within the limits set by the applicable laws and regulations and in particular to:

- determine if the shares granted without consideration will be new shares or existing shares, it being specified that the Board may change its choice before the vesting date;
- draw up the list or geographic scope of eligible beneficiaries of the shares, as well as the number of shares allocated to each beneficiary;
- where applicable, set and amend the vesting conditions, notably the duration of the vesting period and lock-up period;
- provide for the possibility to defer the vesting date of the shares granted, if necessary;
- provide for the possibility to provisionally suspend the beneficiaries' rights to receive the shares;
- place on record the vesting dates of the shares granted and the dates from which the shares may be freely transferred or sold;
- make any adjustments required during the vesting period to the number of free shares granted in order to protect the rights of beneficiaries, it being specified that the shares granted in connection with any such adjustments will be deemed to have been granted on the same date as the initial grant;
- in the event of the issue of new shares, (i) deduct, where applicable, from reserves, retained earnings, profits or additional paid-in capital, the amounts necessary to pay up the shares, (ii) place on record the capital increases carried out pursuant to this authorization, (iii) amend the Company's bylaws to reflect the new capital; and generally
- take all appropriate measures and enter into any and all agreements to successfully complete the share grant.

This authorization is given for a period of 26 months from the date of this Meeting.

Resolution concerning powers to carry out formalities

Presentation of the twenty-ninth resolution

The 29th resolution concerns the powers that are necessary to carry out the filing and other legal formalities required for the resolutions adopted at the meeting.

Text of the twenty-ninth resolution

Powers to carry out formalities

The shareholders give full powers to the bearer of an original, extract or copy of the minutes of this Meeting to carry out any and all filing, publication, declaration and other formalities required by the applicable laws and regulations.

SUMMARY TABLE OF FINANCIAL AUTHORIZATIONS IN FORCE, ALREADY GRANTED TO THE BOARD OF DIRECTORS

Type of authorization	Date of authorization Term and expiration	Ceiling *(maximum nominal amount of capital increases and maximum principal amount of debt securities authorized)*	Amount used at Dec. 31, 2022
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 26, 2021 AGM (18th resolution) 26 months, i.e., until July 25, 2023	€20 million €2 billion (debt securities)	None
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2, 1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 26, 2021 AGM (19th resolution) 26 months, i.e., until July 25, 2023	€8 million(1) €2 billion (debt securities)(2)	None
Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 26, 2021 AGM (20th resolution) 26 months, i.e., until July 25, 2023	€8 million(1)(3) €2 billion (debt securities)(2)(4)	None
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2, 1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 26, 2021 AGM (21st resolution) 26 months, i.e., until July 25, 2023	€8 million(1)(3) €2 billion (debt securities)(2)(4)	Amount used (debt securities): €729,999,864.89 (4,035,601 OCEANE bonds due 2028, see section 7.2.3 of the 2022 Universal Registration Document) Balance of debt securities at Dec. 31, 2022: €1,270,000,135.11 Maximum nominal amount of capital increases that may be carried out: €807,120.20 Balance of capital amount at Dec. 31, 2022: €7,192,879.80
Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 18th, 19th, 20th or 21st resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares, and blanket ceiling for capital increases with or without pre-emptive subscription rights	May 26, 2021 AGM (22nd resolution) 26 months, i.e., until July 25, 2023	15% of the original issue(5)	None
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Group employee savings plan, without pre-emptive subscription rights for existing shareholders	May 26, 2021 AGM (28th resolution) 26 months, i.e., until July 25, 2023	1% of the Company's capital(1)	None
Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration, to employees and corporate officers of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights	May 26, 2021 AGM (30th resolution) 26 months, i.e., until July 25, 2023	0.40% of the Company's capital at the grant date	Amount used in March 2022: 0.19% Balance at Dec. 31, 2022: 0.21% Amount used in March 2023: 0.19% Balance at March 31, 2023: 0.02%

(1) This amount is included in the €20 million ceiling for capital increases set in the 18th resolution adopted by the shareholders at the May 26, 2021 AGM.

(2) This amount is included in the €2 billion ceiling for issues of debt securities set in the 18th resolution adopted by the shareholders at the May 26, 2021 AGM.

(3) This amount is included in the €8 million ceiling for capital increases set in the 19th resolution adopted by the shareholders at the May 26, 2021 AGM.

(4) This amount is included in the €2 billion ceiling for issues of debt securities set in the 19th resolution adopted by the shareholders at the May 26, 2021 AGM.

(5) The ceilings applicable to the 18th, 19th, 20th and 21st resolutions adopted by the shareholders at the May 26, 2021 AGM still apply if the option provided for in the 22nd resolution adopted by the shareholders at that AGM is used.

SUMMARY TABLE OF FINANCIAL AUTHORIZATIONS FOR THE BOARD OF DIRECTORS SUBMITTED TO THE ANNUAL GENERAL MEETING OF MAY 25, 2023 FOR APPROVAL

Type of authorization	Date of authorization Term and expiration	Ceiling *(maximum nominal amount of capital increases and maximum principal amount of debt securities authorized)*
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares, and blanket ceiling for capital increases with or without pre-emptive subscription rights	May 25, 2023 AGM (19th resolution) 26 months, i.e., until July 25, 2025	€20 million €2 billion (debt securities)
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer other than offers governed by Article L.411-2, 1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (20th resolution) 26 months, i.e., until July 25, 2025	€8 million(1) €2 billion (debt securities)(2)
Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (21st resolution) 26 months, i.e., until July 25, 2025	€8 million(1)(3) €2 billion (debt securities)(2)(4)
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through an offer governed by Article L.411-2, 1° of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (22nd resolution) 26 months, i.e., until July 25, 2025	€8 million(1)(3) €2 billion (debt securities)(2)(4)
Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 18th, 19th, 20th or 21st resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (23rd resolution) 26 months, i.e., until July 25, 2025	15% of the original issue(5)
Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings, profits or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares	May 25, 2023 AGM (24th resolution) 26 months, i.e., until July 25, 2025	€12.5 million
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Group employee savings plan, without pre-emptive subscription rights for existing shareholders	May 25, 2023 AGM (25th resolution) 26 months, i.e., until July 25, 2025	1% of the Company's capital(1)
Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and **with performance conditions**, to employees and corporate officers of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights	May 25, 2023 AGM (27th resolution) 26 months, i.e., until July 25, 2025	0.4% of the Company's capital at the grant date
Authorization for the Board of Directors to grant existing or new shares of the Company, without consideration and **without performance conditions**, to employees of the Company and other Group entities, with a waiver of shareholders' pre-emptive subscription rights	May 25, 2023 AGM (28th resolution) 26 months, i.e., until July 25, 2025	0.3% of the Company's capital at the grant date

(1) This amount is included in the €20 million ceiling for capital increases set in the 19th resolution submitted to the shareholders at the May 25, 2023 AGM.

(2) This amount is included in the €2 billion ceiling for issues of debt securities set in the 19th resolution submitted to the shareholders at the May 25, 2023 AGM.

(3) This amount is included in the €8 million ceiling for capital increases set in the 20th resolution submitted to the shareholders at the May 25, 2023 AGM.

(4) This amount is included in the €2 billion ceiling for issues of debt securities set in the 20th resolution submitted to the shareholders at the May 25, 2023 AGM.

(5) The ceilings applicable to the 19th, 20th, 21st and 22nd resolutions submitted to the shareholders at the May 25, 2023 AGM still apply if the option provided for in the 23rd resolution submitted to the shareholders at that AGM is used.

FIVE-YEAR FINANCIAL SUMMARY OF THE COMPANY

(in €)	2018	2019	2020	2021	2022
Capital at December 31					
Share capital	87,153,590.20	85,446,831	85,446,831	85,448,488	85,449,194
Number of ordinary shares outstanding	435,767,951	427,234,155	427,235,939	427,242,440	427,245,970
Financial results					
Profit before tax, statutory employee profit-sharing, depreciation, amortization and provisions	1,621,981,388	1,382,153,454	1,539,743,815	947,109,173	1,382,965,024
Income tax expense	(211,350,763)	(551,456)	(58,580,049)	(47,345,934)	(65,841,779)
Statutory employee profit-sharing for the fiscal year	-	-	-	-	-
Profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions	1,705,042,464	1,296,554,954	1,647,405,156	690,857,268	1,036,303,515
Dividend payment	793,097,671	-	183,711,454	213,621,220	576,782,059
Per share data					
Profit after tax, statutory employee profit-sharing, but before depreciation, amortization and provisions					
■ per ordinary share outstanding	4.21	3.24	3.74	2.33	3.39
Profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions					
■ per ordinary share outstanding	3.91	3.03	3.86	1.62	2.43
Net dividend					
■ per ordinary share outstanding	1.82	-	0.43	0.50	1.35(1)
Employees					
Average number of employees during the fiscal year	1,774	1,813	1,785	1,689	1,820
Total payroll	173,747,142	160,175,869	139,299,866	146,032,966	160,478,281
Social security and other social welfare contributions	114,279,525(2)	137,669,709(3)	75,980,598(4)	77,113,451(5)	110,805,477(6)

(1) Subject to shareholder approval at the Annual General Meeting of May 25, 2023.
(2) Including €2.3 million in contributions paid to the insurer that manages the defined benefit pension plan.
(3) Including €4.5 million in contributions paid to the insurer that manages the defined benefit pension plan.
(4) Including €5.3 million in contributions paid to the insurer that manages the defined benefit pension plan.
(5) Including €1.1 million in contributions paid to the insurer that manages the defined benefit pension plan.
(6) Including €5.0 million in contributions paid to the insurer that manages the defined benefit pension plan.

Statutory Auditors' reports presented to the Annual General Meeting of May 25, 2023

Infrared, lightweight, multifunctional and long-range JIM Compact binoculars

STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS

Annual General Meeting for the approval of the financial statements for the year ended December 31, 2022

> *This is a free translation into English of the Statutory Auditors' special report on related–party agreements and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In our capacity as Statutory Auditors of Safran, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R.225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual General Meeting.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements submitted for approval by the Annual General Meeting

In accordance with Article L.225-40 of the French Commercial Code, we were informed of the following agreement entered into during the year and authorized in advance by the Board of Directors.

With the French State (shareholder holding more than 10% of the Company's voting rights)

Persons concerned

The French State (shareholder holding more than 10% of the Company's voting rights).

Céline Fornaro, representative of the French State to the Board of Directors of Safran, and Alexandre Lahousse, a Director put forward by the French State.

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 "AD Agreement")

Nature, purpose, terms and conditions

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 innovation, 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 AD SAS' share capital by AD Holding and in order to protect France's essential interests, to set up a specific AD SAS share (the "Specific Share"), which will replace the specific Eramet SA share.

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.

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, subject to the application of the provisions in respect of the Specific Share;
- the French State shall be informed beforehand of any proposal to change the distribution of AD Holding's share capital between Airbus SE, Safran and Tikehau Ace Capital or of any proposal to restructure AD Holding or AD SAS;
- 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 than 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 the 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.

Reason for the agreement

The Board of Directors signed this agreement for the following reason:

An 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:

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

Agreements already approved by the Annual General Meeting

In accordance with Article R.225-30 of the French Commercial Code, we were informed that the following agreements, approved by the Annual General Meeting in prior years, remained in force during the year.

With the French State (shareholder holding more than 10% of the Company's voting rights)

Persons concerned

The French State (shareholder holding more than 10% of the Company's voting rights).

Céline Fornaro, representative of the French State to the Board of Directors of Safran, and Alexandre Lahousse, a Director put forward by the French State.

a) Agreement of March 22, 2018 between Safran and the French State – Consolidation and update of the 2004 Agreement related to strategic defense assets and subsidiaries and its addendums in a single document

Nature, purpose, terms and conditions

When Snecma was privatized following its merger with Sagem, the French State agreed to waive its right, pursuant to Article 10 of the privatization act of August 6, 1986, to take a golden share in Snecma, provided that equivalent contractual rights were granted in an agreement. In order to protect France's national interests and preserve the country's independence, the French State entered into an agreement on December 21, 2004 with Sagem and Snecma related to strategic defense assets and subsidiaries (the "2004 Agreement"). The 2004 Agreement is designed (i) to give the French State control over the ownership and, where applicable, the devolution of all or part of certain assets and shares of subsidiaries or other equity investments held by the companies party to the 2004 Agreement, combined with certain acquisition thresholds, and (ii) to give the French State rights of representation on the governing bodies of the strategic subsidiaries and subsidiaries holding assets related to French combat aircraft engines.

The merger between Snecma and Sagem which created Safran in 2005 and the various transactions completed by Safran since then have significantly changed the Group's scope, prompting Safran and the French State to amend the 2004 Agreement through a series of six successive addendums.

Safran and the French State wished to consolidate the 2004 Agreement and its amendments into a single document (the "Agreement") and to update its contents. The Agreement was authorized by the Board of Directors at its meeting on March 22, 2018. It was signed by Safran on March 26, 2018.

The Agreement supersedes the 2004 Agreement, and notably provides as follows:

On corporate governance matters:

- Safran's competent bodies shall be invited to appoint the French State as a Director if its interest in the Company's share capital is less than 10% but more than 1%;
- Safran's competent bodies shall in addition be invited to appoint a member proposed by the French State to the Board of Directors if its interest in the Company's share capital is more than 5%;
- at the request of the French State, the Board of Directors shall be invited to appoint one of the persons referred to above to any Board committee that may be set up for the purpose of addressing matters directly related to its rights under the Agreement;
- the French State shall be entitled to appoint a non-voting representative to the Boards of Directors or equivalent bodies of Safran's strategic subsidiaries (Safran Ceramics and Safran Power Units) and subsidiaries owning sensitive defense assets.

On strategic or sensitive defense assets and the entities that hold such assets:

- the French State shall have a prior right of approval over:
  - sales of assets (other than those that do not affect the defense activities) owned by strategic subsidiaries and accordingly identified as strategic; sales of shares in the strategic subsidiaries Safran Ceramics and Safran Power Units; and sales of shares in AGH,
  - sales by Group companies of certain assets identified as defense sensitive (such as engines, components and systems, high precision inertial navigation and missile guidance systems, financed directly or indirectly by the French Defense Ministry),
  - sales of shares in Safran Electronics & Defense, which owns sensitive defense assets,
  - acquisitions by Group companies of interests resulting in a holding of more than 33.33% or more than 50% of the share capital or voting rights of the other Group companies that own sensitive defense assets,
  - projects conferring special management or information rights over strategic or sensitive defense assets or rights of representation on the administrative or management bodies of Safran Ceramics, Safran Power Units, AGH or another entity owning sensitive defense assets controlled by Safran.

  Failure by the French State to respond within a period of 30 business days shall be deemed to constitute agreement, except in the case of proposals to sell shares in AGH, in which case failure to respond shall be deemed to constitute refusal;
- the French State shall be informed beforehand of any proposal by a strategic subsidiary or an entity controlled by Safran that owns sensitive defense assets, to sell assets that do not fall into these protected categories but whose sale could have a material impact on the independent management on French territory of the entity's strategic assets or sensitive defense assets;
- in the event that a third party acquires more than 10% or a multiple of 10% of the share capital or voting rights of Safran, and failing an agreement on other ways of protecting national interests in connection with the strategic assets, the French State shall be entitled to purchase the securities and assets of the strategic subsidiaries Safran Ceramics and Safran Power Units and the stake in AGH at a price to be set by a panel of experts.

The Agreement was approved by shareholders at the May 25, 2018 Annual General Meeting.

b) Agreements related to the establishment of ArianeGroup Holding – AGH Agreement, Arianespace Agreement, Pre-emption Agreement, addendum no. 6 to the Agreement of December 21, 2004 and addendum to the Environmental Guarantee Agreement (EGA)

Nature, purpose, terms and conditions

On June 30, 2016, Safran and Airbus Group finalized the combination, carried out in two stages, of their launch vehicle business into Airbus Safran Launchers Holding (since renamed ArianeGroup Holding [AGH]) and its wholly-owned subsidiary Airbus Safran Launchers (since renamed ArianeGroup SAS).

In the first half of 2016, the following agreements and addendums, which are indivisible and were required to establish the combination, were signed with the French State:

- AGH Agreement;
- Arianespace Agreement;
- Pre-emption Agreement;
- addendum no. 6 to the Agreement of December 21, 2004 (the "2004 Agreement", as described above in section 1.a) and below in section b.4;
- addendum to the Environmental Guarantee Agreement (EGA).

The AGH Agreement, the Arianespace Agreement and the Pre-emption Agreement, as well as addendum no. 6 to the 2004 Agreement, were authorized by the Board of Directors on December 17, 2015. They were signed on June 24, 2016 and entered into force on June 30, 2016. They were subsequently approved by the Annual General Meeting of June 15, 2017.

Effective from June 30, 2016, the protection of the French State's strategic interests is ensured via:

- **b.1 The AGH Agreement**: an agreement between the French State and AGH relating to protected assets and strategic subsidiaries and interests, entered into in the presence of Safran and Airbus Group SE.
- **b.2 The Arianespace Agreement**: an agreement between the French State and AGH relating to Arianespace Participation and Arianespace SA shares, entered into in the presence of Safran and Airbus Group SE.

The following agreements were entered into at the same time:

- **b.3 The Pre-emption Agreement**: an agreement between Safran, Airbus Group and the French State, which sets out the conditions under which Airbus Group and Safran may exercise a pre-emptive right on the shares of the other partner in AGH if the French State exercises any of the call options granted to it by Airbus Group and Safran. The French State may only buy back AGH shares once the pre-emptive rights of Safran and Airbus have been used or expire.
- **b.4 Addendum no. 6 to the 2004 Agreement between Safran and the French State:**

The 2004 Agreement was approved by shareholders at the May 11, 2005 Annual General Meeting. The agreement, as amended or supplemented by the three addendums signed in 2011 and approved at the May 31, 2012 Annual General Meeting and the two addendums signed in 2014 and approved at the April 23, 2015 Annual General Meeting as well as addendum no. 6, provided that:

- the French State shall be entitled to appoint a non-voting representative to Safran's Board of Directors should its interest in the Company's share capital fall below 10%;
- the French State shall be entitled to appoint a non-voting representative to the Boards of Directors or equivalent bodies of Safran's strategic subsidiaries and subsidiaries holding assets related to French combat aircraft engines;
- the French State shall have a prior right of approval over (i) sales of certain strategic or defense sensitive assets, and (ii) acquisitions of interests resulting in crossing certain ownership or voting rights thresholds in Safran and other Group companies that own strategic assets.

The Agreement of December 21, 2004, as amended by the six addendums, remained in force until March 22, 2018, when it was superseded by the Agreement of March 22, 2018 between Safran and the French State (see section 1.a above).

- **b.5** Moreover, the EGA Addendum, an addendum to an Environmental Guarantee Agreement (EGA) with SNPE authorized by the Board of Directors on December 17, 2015, was signed on May 17, 2016 and entered into force on June 30, 2016. It was subsequently approved by the Annual General Meeting of June 15, 2017. Some sites transferred to AGH, as part of the above-described business combination, are covered by an Environmental Guarantee Agreement (EGA) granted to Safran by SNPE and counter-guaranteed by the French State. With the French State's approval, the addendum to the EGA was entered into between SNPE, AGH and Safran in order to transfer the benefit of the EGA to AGH for said sites (Safran being substituted by AGH).

c) Arianespace Framework Protocol entered into between the French State, ArianeGroup Holding (AGH) and CNES, in the presence of Safran

Nature, purpose, terms and conditions

The CNES (French National Space Studies Center), the French State and AGH, in the presence of Airbus Group and Safran, signed the Arianespace Framework Protocol, which relates to the buying back by AGH of Arianespace shares and Ariane brand names held by CNES and establishes the principal terms and conditions of the sale to AGH of Arianespace shares held by CNES, as well as the parties' declarations and commitments. In its capacity as a shareholder of AGH, Safran undertakes to ensure that AGH fully complies with said agreement.

The protocol provided for a new operating framework for European launchers.

The signature of the protocol was authorized by the Board of Directors on December 17, 2015. It was signed on February 8, 2016 and approved by the Annual General Meeting of May 19, 2016. It subsequently entered into force on June 30, 2016.

With a pool of banks including BNP Paribas

Person concerned

Monique Cohen, a Director of Safran and BNP Paribas.

Agreement of October 29, 2015 with BNP Paribas and a pool of banks relating to a credit facility

Nature, purpose, terms and conditions

The agreement was authorized by the Board of Directors on October 29, 2015 and signed on December 4, 2015.

The facility amounts to €2,520 million and has a five-year term with two successive one-year extension options. It was granted by a pool of 15 banks, including BNP Paribas, whose proportion of the facility is the same as that of the other banks that are parties to the agreement. Both one-year extension options have been exercised, extending the term to December 2022.

The revolving credit facility was put in place to ensure that the Group would have sufficient liquidity over the medium term and to enable it to cover its general financing requirements. By refinancing and replacing two existing facilities with shorter terms than the new facility, the Group was able to take advantage of favorable market interest rates.

It was approved by shareholders at the May 19, 2016 Annual General Meeting. It was terminated on May 4, 2022.

In respect of 2022, an expense of €64,575 was recorded in Safran's financial statements corresponding to BNP Paribas' share of the no-use fee (split between lenders based on their respective commitments).

Paris-La Défense, March 24, 2023

The Statutory Auditors

MAZARS	ERNST & YOUNG et Autres
Jérôme de Pastors	Philippe Berteaux

STATUTORY AUDITORS' REPORTS ON THE PROPOSED AUTHORIZATIONS PRESENTED TO THE ANNUAL GENERAL MEETING

Statutory Auditors' report on the issue, with or without pre-emptive subscription rights, of ordinary shares and/or securities carrying rights to shares

Ordinary and Extraordinary Shareholders' Meeting of May 25, 2023

Nineteenth, twentieth, twenty-first and twenty-second resolutions

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with Articles L.228-92 and L.225-135 *et seq.* of the French Commercial Code (*Code de commerce*), as well as Article L.22-10-52, we hereby report on the proposed delegation to the Board of Directors of various issues of ordinary shares and/or securities carrying rights to shares, which is submitted for your approval.

The Board of Directors proposes that, on the basis of its report, it be authorized, with the ability to sub-delegate, for a period of 26 months from the date of this Meeting, to decide on the following issues and set the final conditions thereof, and proposes, as the case may be, to cancel your pre-emptive subscription rights:

- issue, with pre-emptive subscription rights, of (i) ordinary shares of the Company, (ii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company, or (iii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly (nineteenth resolution);
- issue, without pre-emptive subscription rights, by way of a public offer other than offers governed by Article L.411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*), of (i) ordinary shares of the Company, (ii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company, or (iii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly (twentieth resolution);
- issue of ordinary shares or securities carrying immediate or deferred rights to shares of the Company, in the event of a public exchange offer initiated by the Company (twenty-first resolution);
- issue, without pre-emptive subscription rights, through an offer governed by Article L.411-2, 1° of the French Monetary and Financial Code, and within the limit of 20% of the Company's share capital per year, of (i) ordinary shares of the Company, (ii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of the Company, or (iii) securities carrying immediate or deferred rights (either with or without consideration) to new or existing ordinary shares of a company in which the Company holds over half of the capital, directly or indirectly (twenty-second resolution).

The maximum aggregate nominal amount of any capital increases that may be carried out immediately or in the future may not, according to the nineteenth resolution, exceed €20 million under the nineteenth to twenty-second and twenty-fifth resolutions, it being specified that the nominal amount of any capital increases that may be carried out may not, according to the twentieth resolution, individually and cumulatively exceed €8 million under the twentieth to twenty-second resolutions.

The nominal amount of any debt securities that may be issued may not, according to the nineteenth resolution, individually and cumulatively exceed €2 billion under the nineteenth to twenty-second resolutions.

These ceilings take into account the additional number of shares to be created within the scope of the implementation of the delegations sought in the nineteenth, twentieth, twenty-first and twenty-second resolutions, in accordance with the conditions provided for in Article L.225-135-1 of the French Commercial Code, if you adopt the twenty-third resolution.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R.225-113 *et seq.* of the French Commercial Code. Our role is to report on the fairness of the financial information taken from the financial statements, on the proposed cancellation of pre-emptive subscription rights and on certain other disclosures relating to the issues, contained in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to these operations and the methods used to determine the issue price of the capital securities to be issued.

Subject to a subsequent examination of the conditions for the proposed issues, we have no matters to report as to the methods used to determine the issue price of the capital securities to be issued, as provided in the Board of Directors' report in respect of the twentieth and twenty-second resolutions.

Furthermore, as this report does not specify the conditions for determining the issue price for the capital securities to be issued within the scope of the implementation of the nineteenth and twenty-first resolutions, we cannot report on the choice of inputs used to determine the issue price.

As the final conditions of the capital increase have not yet been determined, we cannot report on the final conditions and, consequently, on the proposed cancellation of pre-emptive subscription rights proposed in the twentieth and twenty-second resolutions.

In accordance with Article R.225-116 of the French Commercial Code, we will issue a supplementary report if and when your Board of Directors uses the delegations in the event of issues of securities that are capital securities giving access to other capital securities or carry rights to the allocation of debt securities, in the event of issues of securities giving access to capital securities to be issued, and in the event of issues of ordinary shares with cancellation of pre-emptive subscription rights.

Paris-La Défense, March 24, 2023

The Statutory Auditors

MAZARS	ERNST & YOUNG et Autres
Jérôme de Pastors	Philippe Berteaux

Statutory Auditors' report on the issue of ordinary shares and/or securities carrying rights to shares reserved for employees who are members of Group employee savings plans

Ordinary and Extraordinary Shareholders' Meeting of May 25, 2023

Twenty-fifth resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with Articles L.228-92 and L.225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report on the proposed delegation of authority to the Board of Directors to decide on the issue of ordinary shares or securities with immediate or deferred rights to ordinary shares of the Company, without pre-emptive subscription rights, reserved for employees of the Company and of any French or foreign companies related to the Company within the meaning of Article L.225-180 of the French Commercial Code, who are members of the Group employee savings plan or any company employee savings plan in place within the Group, which is submitted for your approval.

The maximum nominal amount of any capital increases carried out pursuant to this authorization may not represent more than 1% of the Company's capital at the date of the Board of Directors' decision to carry out the issue, it being specified that the nominal amount of any capital increases carried out pursuant to this authorization will be included in the blanket ceiling for capital increases set in the nineteenth resolution of this Meeting.

This operation is submitted for your approval in accordance with Articles L.225-129-6 of the French Commercial Code and L.3332-18 *et seq.* of the French Labor Code (*Code du travail*).

The Board of Directors proposes that, on the basis of its report, it be authorized, for a period of 26 months from the date of this Meeting, to decide to carry out an issue, and proposes to cancel your pre-emptive subscription rights to the securities to be issued.

If necessary, the Board of Directors will determine the final conditions of this operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R.225-113 *et seq.* of the French Commercial Code. Our role is to report on the fairness of the financial information taken from the financial statements, on the proposed cancellation of pre-emptive subscription rights and on certain other disclosures relating to the issue, contained in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation and the methods used to determine the issue price of the capital securities to be issued.

Subject to a subsequent examination of the conditions for the proposed issue, we have no matters to report as to the methods used to determine the issue price of the capital securities to be issued, as provided in the Board of Directors' report.

As the final conditions of the issue have not yet been determined, we cannot report on the final conditions and, consequently, on the proposed cancellation of pre-emptive subscription rights.

In accordance with Article R.225-116 of the French Commercial Code, we will issue a supplementary report if and when the Board of Directors uses the delegation in the event of issues of ordinary shares or securities that are capital securities giving access to other capital securities, and in the event of issues of securities giving access to capital securities to be issued.

Courbevoie and Paris-La Défense, March 24, 2023

The Statutory Auditors

MAZARS
Jérôme de Pastors

ERNST & YOUNG et Autres
Philippe Berteaux

Statutory Auditors' report on the share capital reduction

Ordinary and Extraordinary Shareholders' Meeting of May 25, 2023

Twenty-sixth resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with the provisions of Article L.22-10-62 of the French Commercial Code (*Code de commerce*) applicable to share capital reductions by cancellation of repurchased shares, we hereby report on our assessment of the reasons for and the terms and conditions of the proposed capital reduction.

The Board of Directors proposes that it be granted full powers, for a period of 24 months from the date of this Meeting, to cancel the shares purchased under the Company's share buyback program, pursuant to an authorization granted within the framework of the above-mentioned article, up to a maximum of 10% of the share capital per 24-month period.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the reasons for and the terms and conditions of the proposed capital reduction, which is not considered to affect shareholders, comply with the applicable legal provisions.

We have no matters to report on the reasons for and the terms and conditions of the proposed capital reduction.

Courbevoie and Paris-La Défense, March 24, 2023

The Statutory Auditors

MAZARS	ERNST & YOUNG et Autres
Jérôme de Pastors	Philippe Berteaux

Statutory Auditors' report on the authorization to grant existing or new shares, free of consideration, with performance conditions

Ordinary and Extraordinary Shareholders' Meeting of May 25, 2023

Twenty-seventh resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with Article L.225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed authorization to grant existing or new shares of the Company, with performance conditions, which is submitted for your approval. The total number of existing or new shares granted under this authorization may not exceed (i) 0.4% of the Company's share capital at the date of the Board of Directors' decision to grant the shares, or (ii) two-thirds of this percentage in any given fiscal year. In addition, for each performance share grant, the maximum number of performance shares granted to each of the Company's corporate officers would be set at 5% of the total number of shares making up the grant (representing a sub-ceiling of 0.01% of the Company's share capital per corporate officer and fiscal year).

The Board of Directors may grant shares, free of consideration, to:

- employees or certain categories of employees of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code; and
- corporate officers of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code (except for the Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law.

The Board of Directors proposes that, on the basis of its report, it be authorized, for a period of 26 months from the date of this Meeting, to grant existing or new shares, free of consideration.

It is the responsibility of the Board of Directors to prepare a report on the proposed operation. It is our responsibility to report to you on the information provided to you on the proposed operation.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted mainly in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report as to the information provided in the Board of Directors' report relating to the proposed authorization to grant existing or new shares, free of consideration.

Courbevoie and Paris-La Défense, March 24, 2023

The Statutory Auditors

MAZARS	ERNST & YOUNG et Autres
Jérôme de Pastors	Philippe Berteaux

Statutory Auditors' report on the authorization to grant existing or new shares, free of consideration, without performance conditions

Ordinary and Extraordinary Shareholders' Meeting of May 25, 2023

Twenty-eighth resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with Article L.225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed authorization to grant existing or new shares of the Company, free of consideration, which is submitted for your approval. The total number of existing or new shares granted under this authorization may not exceed 0.3% of the Company's share capital at the date of the Board of Directors' decision to grant the shares.

The Board of Directors may grant shares, free of consideration, to employees of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code, it being specified that the Chief Executive Officer and the Chairman of the Company will be excluded from any grants made under this authorization.

The Board of Directors proposes that, on the basis of its report, it be authorized, for a period of 26 months from the date of this Meeting, to grant existing or new shares, free of consideration.

It is the responsibility of the Board of Directors to prepare a report on the proposed operation. It is our responsibility to report to you on the information provided to you on the proposed operation.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted mainly in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report as to the information provided in the Board of Directors' report relating to the proposed authorization to grant existing or new shares, free of consideration.

Courbevoie and Paris-La Défense, March 24, 2023

The Statutory Auditors

MAZARS
Jérôme de Pastors

ERNST & YOUNG et Autres
Philippe Berteaux

Corporate governance

Additive manufacturing of a titanium hydraulic block for the Airbus A350

BOARD OF DIRECTORS

A Board of Directors incorporating best governance standards into its activities

Safran refers to the Corporate Governance Code of Listed Corporations drawn up jointly by the French business associations, AFEP and MEDEF. Safran's Board of Directors determines its strategy and oversees its implementation.

SEGREGATION OF DUTIES BETWEEN THE CHAIRMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER

Since 2015, the Board has chosen to separate the roles of Chairman of the Board and Chief Executive Officer. The complementary profiles, expertise and careers of the Chairman of the Board of Directors, Ross McInnes, and the Chief Executive Officer, Olivier Andriès, constitute a major factor in ensuring smooth governance, based on transparency between Executive Management and the Board, and a balanced, measured split between the roles of Chairman and Chief Executive Officer.

LEAD INDEPENDENT DIRECTOR

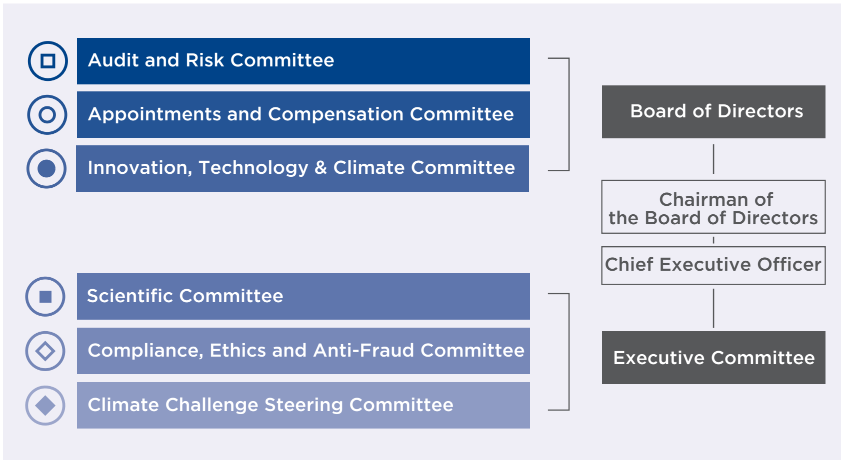
In 2018, the Board decided to appoint Monique Cohen as Lead Independent Director and define her duties. Although the position of Lead Independent Director is not indispensable because the Company has separated the roles of Chairman of the Board and Chief Executive Officer, the Board felt that having such a Director would be good practice.

DIRECTOR RESPONSIBLE FOR MONITORING CLIMATE ISSUES

Fully aware of the strategic importance of climate issues for the aerospace industry, in early 2021 the Board of Directors appointed Patrick Pélata as Director responsible for monitoring climate issues, and defined his roles and responsibilities. Patrick Pélata also chairs the Innovation, Technology & Climate Committee whose roles and responsibilities in relation to climate issues have been formally defined.

INDEPENDENT DIRECTORS

The aim of having independent Directors on the Board is to provide all shareholders with the assurance that the collegiate body of the Board comprises members who have total independence to analyze, judge, take decisions and act, always in the Company's interests. Highly engaged and involved in the Board's work, their freedom of judgment and expression contributes to the quality of the Board's discussions and decisions. Their professional and personal experience provides an external view that is beneficial for the Group.



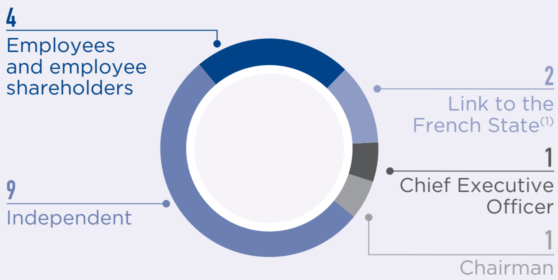
ASSESSMENT OF THE BOARD'S OPERATING PROCEDURES

In late 2022, the Board conducted its annual assessment of its operating procedures. It expressed positive observations on its functioning and membership structure, as well as on the organization of its work and meetings. The Board reviewed the areas of improvement identified in the 2021 assessment by an independent third-party firm, and was satisfied with the actions taken in 2022 to address the expectations expressed. No new expectations were identified.

An experienced Board of Directors taking up the Group's strategic challenges

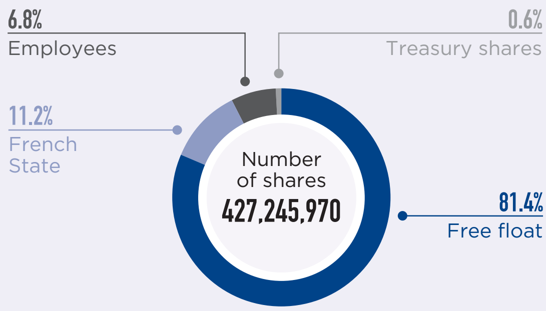
A Board membership structure that is consistent with Safran share ownership.

The Board of Directors at December 31, 2022
(number of Directors)



(1) One representative of the French State appointed by way of a ministerial decree and one Director put forward by the French State and appointed by the Annual General Meeting.

Ownership structure at December 31, 2022



A diverse range of profiles, expertise and skills within the Board

The Board of Directors has a wide range of experience, making it well equipped to deal with strategy and performance challenges. It regularly considers the desired balance and diversity of its membership structure and that of its Committees. Its diversity policy is structured around principles and objectives related to the size of the Board, the representation of the Company's various stakeholders, the proportion of independent Directors, the depth and fit of the Directors' skills and expertise, international experience, and gender balance. Together with the Appointments and Compensation Committee, the Board regularly reviews the list of criteria (behavioral skills, experience, expertise and other criteria) considered useful and necessary for determining the profiles sought in the selection of Directors and enabling the implementation of its diversity policy.

Experience and specific positions exercised by Directors in different sectors and activities	Number of Directors
Aerospace industry	11
Other industries and business sectors	16
Innovation, R&T, development and engineering	12
International career and experience	11
Strategy, competition and M&A	12
Finance and management control	10
Digital – New technologies	5
Governance and compensation	10
Human Resources – CSR	12

Committees addressing the Group's strategic challenges

(2022 key figures)

AUDIT AND RISK COMMITTEE

6 meetings
6 members
92% attendance
80% (4 out of 5) independent(1)

APPOINTMENTS AND COMPENSATION COMMITTEE

5 meetings
7 members
94% attendance
83.33% (5 out of 6) independent(1)

INNOVATION, TECHNOLOGY & CLIMATE COMMITTEE

2 meetings
6 members
100% attendance
80% (4 out of 5) independent(1)

(1) Excluding Directors representing employee shareholders and Directors representing employees, in accordance with the AFEP-MEDEF Code.

ROSS **McINNES**

Chairman of the Board of Directors

OLIVIER **ANDRIÈS**

Chief Executive Officer

I ACC

MONIQUE **COHEN**

Lead Independent Director
Chair of the Appointments and Compensation Committee

Membership structure of the Board of Directors and the Board Committees

(AT MARCH 31, 2023)

I Independent

ARC Audit and Risk Committee

ACC Appointments and Compensation Committee

ITCC Innovation, Technology & Climate Committee

ANNE **AUBERT**
Director representing employee shareholders

ARC

MARC **AUBRY**
Director representing employee shareholders

I ACC ITCC

HÉLÈNE **AURIOL POTIER**
Independent Director

I ACC

PATRICIA **BELLINGER**
Independent Director

ITCC

HERVÉ **CHAILLOU**
Director representing employees

I ACC ITCC

JEAN-LOU **CHAMEAU**
Independent Director

ACC

CHRISTÈLE **DEBARENNE-FIEVET**
Director representing employees.
She joined the Board on December 19, 2022, replacing Daniel Mazaltarim.

ARC ACC

CÉLINE **FORNARO**
Director representing the French State on the Board of Directors.
She joined the Board on February 17, 2023, replacing Stéphanie Besnier.

I ARC ITCC

LAURENT **GUILLOT**
Chairman of the Audit and Risk Committee
Independent Director

ITCC

ALEXANDRE **LAHOUSSE**
Director put forward by the French State

I ARC

FABIENNE **LECORVAISIER**
Independent Director

I ACC ITCC

PATRICK **PÉLATA**
Chairman of the Innovation, Technology & Climate Committee
Director responsible for monitoring climate issues

I ARC

ROBERT **PEUGEOT**
Independent Director

NOMINEES TO THE BOARD OF DIRECTORS

The terms of office of Ross McInnes, Olivier Andriès, Laurent Guillot and Alexandre Lahousse are due to expire at the close of the Annual General Meeting to be held on May 25, 2023.

As it wishes to continue to benefit from the expertise of these Directors, the Board has decided to put them forward for re-appointment for four-year terms expiring at the close of the Annual General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026.

The Board has also decided to put forward Fabrice Brégier for appointment as an independent Director, to replace Jean-Lou Chameau, whose term of office will expire at the close of the Annual General Meeting to be held on May 25, 2023. At that date, Jean-Lou Chameau will have served a total of 12 years on the Board and will therefore lose his independent status.

In making these decisions, based on the recommendation of the Appointments and Compensation Committee, the Board took into account a number of observations about the Board's membership structure and size that were made as part of the Board annual self-assessment at the end of 2022.

If the shareholders vote in favor of the Board's recommendations at the Annual General Meeting on May 25, 2023, at the close of that Meeting:

- the percentage of independent Directors will be 66.7%;
- the percentage of women on the Board will be 41.7%, which complies with the applicable legal requirements.

Ratification of the appointments of Directors

Ratification of the Board's appointment and re-appointment of the term of office of Alexandre Lahousse as a Director put forward by the French State (5th resolution)

At its meeting on July 27, 2022, the Board of Directors appointed Alexandre Lahousse as a Director, who was put forward by the French State, to replace Vincent Imbert for the remainder of Vincent Imbert's term of office, i.e., until the close of the Annual General Meeting of May 25, 2023. At the 2023 Annual General Meeting, the Board of Directors will invite the shareholders to ratify its appointment of Alexandre Lahousse as a Director and to re-appoint the Director put forward by the French State, i.e., Alexandre Lahousse.

In particular, Alexandre Lahousse brings to the Board in-depth knowledge of the Group's sovereignty-related products and markets, as well as his defense industry expertise, his knowledge of the European aeronautic and aerospace industry, and his expertise in industrial strategy and the French State's strategy in research and technology.

Alexandre Lahousse complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

The profile of Alexandre Lahousse is presented hereafter:

Alexandre LAHOUSSE

Director
Member of the Innovation, Technology & Climate Committee

Address: Inspection générale des armées – Armement – 60, bd du Général-Martial-Valin – 75015 Paris, France

Number of Safran shares held: N/A

Date first appointed: July 27, 2022

Expiration of current term of office: 2023 AGM

Born in 1976, Alexandre Lahousse, a French national and chief weapons engineer (*ingénieur général de l'armement*), is a graduate of *École Polytechnique* and *École Nationale Supérieure de l'Aéronautique et de l'Espace*.

He began his career at the Toulouse Aviation Testing Center as head of materials and aircraft structures testing, before becoming the lead expert in airframes.

In 2005, he continued his career in aircraft programs, as the French technical representative and architect for the NH90 helicopter program in collaboration with eight NATO countries.

In 2008, he joined the French Air Force at the Cuers-Pierrefeu industrial aviation workshop, first as head of the design office and then as deputy director and technical deputy director.

In 2014, he was promoted to director of the NH90 helicopter program, where he played a key role in the success of the first operational deployments.

In 2017, he joined the Defense System Architecture Department at the French Directorate General of Weapons Procurement (*Direction générale pour l'armement* – DGA), as architect for future systems readiness in "air mobility, surveillance and protection". In parallel, he designed a new capability approach as part of the transformation of the DGA, in order to promote coherent program development across capabilities.

In early 2020, he was appointed Chief of Staff to the Chief Executive Officer of the DGA.

Since January 1, 2022, he has been Head of the Industrial Affairs and Economic Intelligence Department (S2IE) at the DGA.

Alexandre Lahousse brings to the Board in-depth knowledge of the Group's sovereignty-related products and markets, as well as his defense industry expertise, his knowledge of the European aeronautic and aerospace industry, and his expertise in industrial strategy and the French State's strategy in research and technology.

MAIN POSITION(S) HELD (OUTSIDE THE COMPANY)

- Chief weapons engineer (*ingénieur général de l'armement*) – Head of the Industrial Affairs and Economic Intelligence Department (S2IE) at the DGA

CURRENT OFFICES AND POSITIONS

Safran Group

- Representative of the French State on the Board of Directors of Safran (listed company) (France)
- Representative of the French State on the Board of Directors of ArianeGroup Holding (France)

Non-Group

- Director of KNDS (KMW+Nexter Defense Systems N.V.) (Netherlands)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

Safran Group

- None

Non-Group

- None

Number of offices held*

- One directorship (Safran SA)

* *In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.*

Ratification of the appointment of Robert Peugeot as an independent Director (6th resolution)

Having noted the resignation of F&P[1] as a Director with effect from December 19, 2022, the Board appointed Robert Peugeot as a Director, in an individual capacity, to replace F&P for the remainder of F&P's term of office, i.e., until the close of the 2026 Annual General Meeting. In addition, the Board decided that Robert Peugeot would remain a member of the Audit and Risk Committee. At the same Board meeting, the Directors decided that it would invite the shareholders to ratify its appointment of Robert Peugeot at the Annual General Meeting of May 25, 2023.

Robert Peugeot brings to the Board his experience as an executive and director of international groups, as well as his experience in private equity and finance. He makes a significant contribution to the work of the Board and the Audit and Risk Committee, of which he is a member, and he is one of the Board's independent Directors.

Robert Peugeot complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

The number of offices that Robert Peugeot holds in listed companies complies with the requirements of the AFEP-MEDEF Code. In addition, these offices are related to the holdings of Peugeot Invest, of which Robert Peugeot is non-executive Chairman. As a professional investor, his line of work and expertise consist of carefully monitoring companies by participating in their governance.

The profile of Robert Peugeot is presented hereafter:

(1) *F&P was a joint venture set up by Peugeot Invest Assets and Fonds Stratégique de Participations (FSP) for the purpose of exercising the role of a Director of Safran. Robert Peugeot was the permanent representative of F&P as a Director of Safran.*

Robert PEUGEOT

Independent Director
Member of the Audit and Risk Committee

Address: Peugeot Invest – 66, avenue Charles-de-Gaulle – 92200 Neuilly-sur-Seine – France

Number of Safran shares held: 500

Date first appointed: May 25, 2018

Expiration of current term of office: 2027 AGM

Born in 1950, Robert Peugeot, a French national, is a graduate of *École Centrale de Paris* and INSEAD. He has held a number of high-level positions in the PSA Group and was a member of the Group Executive Committee from 1998 to 2007, responsible for Innovation and Quality.

From 2002 to 2020, Robert Peugeot served as Chairman and Chief Executive Officer of Peugeot Invest, overseeing the company's business development. Since then, he has continued to chair the Board of Directors.

Until January 2021, he was the permanent representative of Peugeot Invest on the Supervisory Board of Peugeot SA, and was also Chairman of the Strategy Committee and a member of the Finance and Audit Committee of Peugeot SA.

Since January 2021, he has been Vice-Chairman and a Director of Stellantis N.V. (created from the merger of Peugeot SA and Fiat Chrysler Automobiles N.V.), and a member of its Compensation Committee.

Since November 2018, he has been a member of the French High Committee for Corporate Governance.

Robert Peugeot brings to the Board his experience as an executive and director of international industrial groups, as well as his experience in private equity and finance.

MAIN POSITION(S) HELD (OUTSIDE THE COMPANY)

- Vice-Chairman of the Board of Directors of Stellantis N.V. (listed company) (Netherlands)
- Chairman of the Board of Directors of Peugeot Invest (listed company) (France)
- Company Director

CURRENT OFFICES AND POSITIONS

Safran Group

- Director of Safran (listed company) (France)

Non-Group

- Director, Vice-Chairman and a member of the Compensation Committee of Stellantis N.V. (listed company) (Netherlands)
- Chairman of the Board of Directors, Chairman of the Investments and Shareholdings Committee, and Chairman of the Sustainable Development Committee of Peugeot Invest (listed company) (France)
- Chairman of F&P (France)
- Permanent representative of Peugeot 1810 on the Board of Directors and the Audit Committee of Faurecia (listed company) (France)
- Director and Chairman of the Nominations Committee of Sofina (listed company) (Belgium)
- Member of the Supervisory Board and Investment Committee of Signa Prime (Austria)
- Member of the Supervisory Board and Investment Committee of Signa Development (Austria)
- Member of the Supervisory Board of Soparexo (France)
- Member of the Supervisory Board of Financière Guiraud SAS
- Director of Peugeot Invest UK Ltd (United Kingdom)
- Director of Asia Emergency Assistance Holdings Pte Ltd (Republic of Singapore)
- Legal manager of Société Civile Rodom (France)
- Chairman of the Governance Committee of Tikehau Capital Advisors (France)
- Director of Peugeot 1810 (formerly Maillot 1) (France)
- Legal manager of Mille Sabords (France)
- Legal manager of Artemisia (France)
- Legal manager of Gatopardi (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

Safran Group

- Permanent representative of F&P as a Director of Safran (listed company) (France) until December 2022(1)

Non-Group

- Robert Peugeot has held several offices in subsidiaries and/or holdings of the Peugeot group. For ease of reference, not all of these offices are listed
- Member of the Supervisory Board of ACE Management SA (France), until May 2020
- Member of the Supervisory Board, member of the Audit Committee and member of the Compensation, Appointments and Governance Committee of Hermès International (listed company) (France), until June 2019

Number of offices held*

- Five directorships (including Safran SA), including one as Chairman of the Board of Directors of Peugeot Invest (listed companies)

* *In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.*

(1) *F&P was a joint venture between Peugeot Invest Assets (formerly FFP Invest) and Fonds Stratégique de Participations (FSP), specifically set up for the purpose of exercising the role of a Director of Safran. F&P has stepped down from Safran's Board of Directors.*

Re-appointments of Directors

Re-appointment of Ross McInnes as a Director (7th resolution)

At the next Annual General Meeting, the Board will invite the shareholders to re-appoint Ross McInnes as a Director.

The Board has already announced that if Ross McInnes is re-appointed as a Director at the 2023 Annual General Meeting, it will re-appoint him as Chairman of the Board of Directors at the close of said Meeting, for the duration of his new term of office as a Director.

The Board's decisions regarding the re-appointment of Ross McInnes as a Director and as Chairman of the Board were based, among other things, on:

- the latest available assessments of the Chairman's performance:

  The formal assessment of the Board of Directors that was carried out by an external firm in late 2021 revealed very positive assessments of (i) the separation of the roles of Chairman and Chief Executive Officer, (ii) the role and personality of the Chairman, and (iii) his good working relationship with the Chief Executive Officer.

  In addition, the Company's main institutional shareholders who were approached as part of this assessment and who were met with during governance roadshows in 2022 said they were in favor of Ross McInnes being re-appointed as Chairman of the Board of Directors, due to his expertise and knowledge, the changes he is making to improve the Company's governance structure, the high quality of his dialogue with shareholders, and the sense of continuity that his re-appointment would bring;
- analyses undertaken by the Appointments and Compensation Committee and by the Board, which highlight and affirm that Ross McInnes is valued as Chairman and has an in-depth understanding of the Company, its industry and its challenges. He has a very good working relationship with the Chief Executive Officer, who has requested continuity;
- the fact that Ross McInnes has indicated that he is keen and willing to be re-appointed as a Director and as Chairman if so decided by the Board.

It should be recalled that:

- Ross McInnes' employment contract with Safran was terminated on May 23, 2019, when he was last re-appointed as Chairman, in order to comply with the related recommendation of the AFEP-MEDEF Code[1].
- Ross McInnes complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

The specific tasks entrusted to the Chairman and as set out in the Board of Directors' Internal Rules (see section 6.1.2 of the 2022 Universal Registration Document) will continue as before.

The profile of Ross McInnes is presented hereafter:

(1) *Article 21 of the AFEP-MEDEF Code recommends that when an employee becomes a corporate officer, their employment contract with the Company or any other Group company should be terminated, either through contractual termination or resignation.*

Ross McINNES

Chairman of the Board of Directors

Address: Safran – 2, bd du Général Martial-Valin – 75015 Paris, France

Number of Safran shares held: 16,045[1]

Date first appointed: April 23, 2015

Expiration of current term of office: 2023 AGM

Born in 1954, Ross McInnes has dual French and Australian nationality and is a graduate of Oxford University. He started his career in 1977 with Kleinwort Benson, first in London and then in Rio de Janeiro. In 1980, he joined Continental Bank (now Bank of America) in which he held several positions in the corporate finance arm, in Chicago and then in Paris.

In 1989, he joined Eridania Beghin-Say, where he was appointed Chief Financial Officer in 1991 and then became a member of the Board of Directors in 1999. The following year, he joined Thomson-CSF (now Thales) as Executive Vice-President and Chief Financial Officer and assisted in the group's transformation, until 2005. He then moved to PPR (now Kering) as Senior Vice-President for Finance and Strategy, before joining the Supervisory Board of Générale de Santé in 2006. He served as acting Chairman of the Management Board of Générale de Santé from March to June 2007. He also held the position of Vice-Chairman of Macquarie Capital Europe, where he primarily specialized in infrastructure investments.

In March 2009, Ross McInnes joined Safran and became Executive Vice-President, Economic and Financial Affairs in June of that year. He was a member of the Executive Board of Safran between July 2009 and April 2011 and then served as Deputy Chief Executive Officer until April 2015.

He became Chairman of Safran's Board of Directors on April 23, 2015.

Since February 2015, Ross McInnes has also acted as Special Representative for economic relations with Australia, having been appointed to this diplomatic role by the French Minister for Europe and Foreign Affairs.

From November 2016 to November 2019, he was a member of the French High Committee for Corporate Governance.

In February 2017, he joined SICOM, the general partner of Vivescia Industries, as a "qualified person".

In October 2017, Ross McInnes was appointed by the French Prime Minister as Co-Chairman of the "Action Publique 2022" Committee, which was tasked with making recommendations on reforming French public policies, a mission it has since completed.

Since January 2018, he has been a Trustee and a Director of the IFRS Foundation.

MAIN POSITION(S) HELD

- Chairman of the Board of Directors of Safran

CURRENT OFFICES AND POSITIONS

Safran Group

- Chairman of the Board of Directors of Safran (listed company) (France)

Non-Group

- Director, member of the Audit Committee, member of the Strategic Committee and member of the Nominations Committee of Lectra (listed company) (France) since April 2022
- Director, Chairman of the Ethics, Environment and Sustainable Development Committee, member of the Audit Committee, and member of the Strategy, Investment and Technology Committee of Engie (listed company) (France)
- Trustee and Director of the IFRS Foundation (United States and United Kingdom)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

Safran Group

None

Non-Group

- Director of Lectra (listed company) (France) and a member of its Board committees until April 2020
- Non-executive Director and Chairman of the Audit Committee of IMI PLC (listed company) (United Kingdom) until October 2017
- Director and Chairman of the Audit Committee of Faurecia (listed company) (France) until May 2017

NUMBER OF OFFICES HELD*

- Three directorships (listed companies), including one as Chairman of the Board of Directors of Safran SA

* *In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.*

(1) *Including 10 registered shares, 7,535 shares held via corporate mutual fund units invested in Safran shares (conversion based on one share for one corporate mutual fund unit at December 31, 2022), and 8,500 shares purchased under a life insurance policy (whereby the insurer retains ownership of the shares and the insured party is owed the related amount by the insurer).*

Re-appointment of Olivier Andriès as a Director (8th resolution)

At the next Annual General Meeting, the Board will invite the shareholders to re-appoint Olivier Andriès as a Director.

The Board has already announced that it intends to re-appoint Olivier Andriès as Chief Executive Officer at the close of said Meeting.

The Board thus reiterates:

- the importance it places on (i) the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer and (ii) their respective performances in carrying out the duties assigned to them;
- the complementary profiles, expertise and careers of the Chairman of the Board of Directors and the Chief Executive Officer are a major factor for ensuring the Group's efficient governance, based on transparency between Executive Management and the Board, and a balanced, measured split between the roles of the Chairman and the Chief Executive Officer which ensures their duties are effectively segregated;
- the Board's belief that it is useful, necessary and of real value for the Chief Executive Officer to also be a Director of the Company, as it enables the Chief Executive Officer to be among his peers around the Board table, and also allows the Board to benefit from his contribution to its discussions.

In accordance with Article 21.3 of the Company's bylaws, the duration of Olivier Andriès' new term of office as Chief Executive Officer would be the same as the duration of his new term of office as Director.

It should be recalled that:

- Olivier Andriès' employment contract with Safran was suspended when he took up his position as Chief Executive Officer on January 1, 2021;
- Olivier Andriès complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

The profile of Olivier Andriès is presented hereafter:

Olivier ANDRIÈS

Chief Executive Officer and Director

Address: Safran – 2, bd du Général Martial-Valin – 75015 Paris, France

Number of Safran shares held: 26,516[(1)]

Date first appointed: January 1, 2021

Expiration of current term of office: 2023 AGM

Born in 1962, Olivier Andriès, a French national, is a graduate of *École Polytechnique* (1981) and *École des Mines de Paris* (1984).

After holding various positions in the French Ministry of Industry and the Treasury Department at the French Ministry of Finance, in 1993 he joined the cabinet of the Minister of the Economy and Finance as advisor on industrial affairs.

In 1995, he moved to the Lagardère group as Deputy Director of Strategy, where he managed various merger and acquisition projects. In 1998, he was appointed personal advisor to Jean-Luc Lagardère.

In 2000, Olivier Andriès joined Airbus as Product Policy Director, before being appointed Vice-President, Widebody Aircraft Programs in 2004 and then Executive Vice President, Strategy and Cooperation in 2005.

In July 2007, he became Executive Vice-President, Strategy at EADS.

In March 2008, he joined Safran as Executive Vice-President, Strategy and Development, and in September 2009 was subsequently named Executive Vice President, in charge of the Defense and Security branch.

In 2011, he was appointed Chairman and Chief Executive Officer of Safran Helicopter Engines, and in June 2015 was named Chief Executive Officer of Safran Aircraft Engines.

In September 2020, he was appointed Executive Vice-President of the Safran Group, working alongside the Chief Executive Officer.

Safran's Board of Directors appointed Olivier Andriès as the Group's Chief Executive Officer, with effect from January 1, 2021, and also as a Director from the same date.

MAIN POSITION(S) HELD

- Chief Executive Officer of Safran

CURRENT OFFICES AND POSITIONS

Safran Group

- Chief Executive Officer of Safran (listed company) (France)
- Director of Safran (listed company) (France)

Non-Group

- None

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

Safran Group

- Director of Safran Aero Boosters (Belgium), until November 2020
- Chief Executive Officer of Safran Aircraft Engines (France), until September 2020
- Chairman of Rafale International (France), until September 2020
- Director of EPI Europrop International GmbH (Germany), until September 2020
- Permanent representative of Safran Aircraft Engines (France) on the Board of Directors of PowerJet (France), until September 2020
- Director of Safran Aircraft Engines Mexico (Mexico), until September 2020
- Director of CFM International Inc. (United States), until September 2020
- Director of Société de Motorisations Aéronautiques – SMA (France), until November 2017

Non-Group

- None

Number of offices held*

- One directorship and one as Chief Executive Officer of Safran SA

* *In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, executive corporate officers may not hold more than two other directorships in listed companies outside his or her group.*

(1) *Including 17,395 registered shares and 9,121 shares held via corporate mutual fund units invested in Safran shares (conversion based on one share for one corporate mutual fund unit at December 31, 2022).*

Appointment of Fabrice Brégier as an independent Director (9th resolution)

The Board of Directors has noted that Jean-Lou Chameau's term of office is due to expire at the close of the Annual General Meeting to be held on May 25, 2023. As Jean-Lou Chameau first joined the Board of Directors in 2011, if his term of office is renewed at the May 25, 2023 Annual General Meeting, he would no longer meet one of the independence criteria set out in the Board's Internal Rules and in the AFEP-MEDEF Code, relating to the maximum duration of Directors' terms of office (no more than 12 years; see section 6.2.4.1 of the 2022 Universal Registration Document)[1].

The shareholders are therefore invited to appoint Fabrice Brégier as an independent Director to replace Jean-Lou Chameau, for a four-year term expiring at the close of the 2027 Annual General Meeting.

With extensive experience in the aeronautics, defense and space industries, Fabrice Brégier would bring to the Board his skills and experience as an executive and director of large international groups as well as his expertise as an executive of a leading big data company.

Fabrice Brégier complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

The profile of Fabrice Brégier is presented hereafter:

(1) *Criterion 7: "Must not have been a member of Safran's Board of Directors (or previously its Supervisory Board) for over 12 years, it being specified that members lose their status as independent Directors once the 12-year threshold is reached".*

Fabrice BRÉGIER

Executive Management
Digital, innovation, new technologies
Industry

Address: Palantir Technologies France – 5, rue Charlot – 75003 Paris, France

Number of Safran shares held: pursuant to the Board of Directors' Internal Rules, each Director is required to own at least 500 registered shares of the Company

Number of offices held in listed companies: 2

Born in 1961, Fabrice Brégier, a French national, is a graduate engineer of *École Polytechnique* (1980) and *École des Mines de Paris*.

He began his career at the DRIRE Alsace (French Ministry of Industry and Trade), before being appointed Sub-Director of Economic, International and Financial Affairs at the French Ministry of Agriculture (French General Directorate for Food) in 1989.

After serving as an advisor to several French ministers from 1989 to 1993, Fabrice Brégier was appointed Chairman of Franco-German joint ventures at Matra Défense, Director of Stand-Off Activities at Matra BAe Dynamics (MBD) and then Chief Executive Officer of MBD/MBDA.

Fabrice Brégier has 20 years' experience in the aerospace and defense industries. He has spent a large part of his career with the Airbus group. He was Chairman and Chief Executive Officer of Eurocopter from 2003 to 2005, before joining the Executive Committee of Airbus in 2005. He was then successively Chief Operating Officer of Airbus from 2006 to 2012, Chairman and Chief Executive Officer of Airbus from 2012 to 2017 and, lastly, Chairman of Airbus Commercial Aircraft and Chief Operating Officer of Airbus from 2017 to 2018.

Fabrice Brégier has been Chairman of Palantir Technologies France, a leading Big Data company, since October 2018.

MAIN POSITION(S) HELD (OUTSIDE THE COMPANY)

- Chairman of Palantir Technologies France (France)

CURRENT OFFICES AND POSITIONS

Safran Group

None

Non-Group

- Director and member of the Strategic Committee, the Audit Committee, the Compensation Committee and the Crisis Management Committee of SCOR (listed company) (France)
- Director and member of the Appointments, Compensation and Governance of Engie (listed company) (France)
- Chief Executive Officer of FB Consulting SAS (France)
- Director of KK Wind Solutions (Denmark)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

Safran Group

None

Non-Group

- Chief Operating Officer of Airbus (listed company) (France)
- Chairman of Airbus Commercial Aircraft (France)

Re-appointment of Laurent Guillot as an independent Director (10th resolution)

Based on the recommendations of the Appointments and Compensation Committee, the Board of Directors has decided that it wishes to continue to benefit from the expertise of Laurent Guillot and is therefore putting forward this independent Director for re-appointment for a four-year term expiring at the close of the Annual General Meeting to be held in 2027.

Laurent Guillot, an independent Director, brings to the Board his financial expertise, his skills and experience as an operational and functional manager of a global industrial group, and his expertise in high-performance materials, industrialization and information systems.

Laurent Guillot complies with the legal requirements and the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held by a corporate officer and/or Director.

The profile of Laurent Guillot is presented hereafter:

Laurent GUILLOT

Independent Director
Member and Chairman of the Audit and Risk Committee
Member of the Innovation, Technology & Climate Committee

Address: Orpea – 12, rue Jean-Jaurès – 92813 Puteaux Cedex – France

Number of Safran shares held: 500

Date first appointed: May 23, 2019

Expiration of current term of office: 2023 AGM

Born in 1969, Laurent Guillot, a French national, is a graduate of *École Polytechnique* and of *École des Ponts* ParisTech engineering school, and holds a postgraduate degree in macroeconomics from *Université Paris I*.

He began his career with the French Ministry of Finance in 1996, initially as head of the Energy unit in the Forecasting Department and then as head of the Central Africa unit within the Treasury Department's International Division. In 1999, he was appointed technical advisor to the Minister of Infrastructure, Transport and Housing, first on maritime issues and then on budgetary, financial and industrial issues.

He joined Compagnie de Saint-Gobain in 2002 as Vice-President of Corporate Planning. He was appointed Vice-President of Construction Abrasives in 2004, becoming Vice-President of High-Performance Refractories and Diesel Particulate Filters the following year. In 2007, he was appointed General Delegate for Brazil, Argentina and Chile.

From 2009 to the end of 2015, Laurent Guillot served as Saint-Gobain's Chief Financial Officer and was also in charge of Group procurement and information systems.

In 2016, he was appointed Vice-President of the High-Performance Materials business. The following year, he became Senior Vice-President of Compagnie de Saint-Gobain in charge of the High-Performance Materials business, with direct oversight over the Performance Plastics business.

Between 2019 and 2021, he was Senior Vice-President of Compagnie de Saint-Gobain in charge of High-Performance Solutions and was also responsible for information systems.

Laurent Guillot brings to the Board his financial expertise, his skills and experience as a corporate officer of a listed company and an operational and functional manager of a global industrial group, and his expertise in high-performance materials, industrialization and information systems.

In July 2022, Laurent Guillot was appointed as Chief Executive Officer of Orpea.

MAIN POSITION(S) HELD (OUTSIDE THE COMPANY)

- Chief Executive Officer of Orpea (listed company) (France)

CURRENT OFFICES AND POSITIONS

Safran Group	Non-Group
■ Director of Safran (listed company) (France)	■ Director and Chief Executive Officer of Orpea (listed company) (France)

OFFICES AND POSITIONS THAT EXPIRED IN THE LAST FIVE YEARS

Safran Group	Non-Group
■ None	■ Non-executive Director, Chairman of the Risk Management Committee, member of the Remuneration and Nomination Committee, and member of the Corporate Social Responsibility Committee of Grindwell Norton Ltd (listed company) (India), until June 2021 ■ Laurent Guillot has held several offices in unlisted subsidiaries and/or holdings of the Saint-Gobain group. For ease of reference, not all of these offices are listed

Number of offices held*

- Two directorships (including Safran SA) and one as Chief Executive Officer (listed companies)

* *In accordance with the recommendations of the AFEP-MEDEF Code regarding the maximum number of offices that can be held, a maximum of five offices in French and/or foreign listed companies can be held by Directors.*

Compensation policies and compensation packages for corporate officers

"Pulse line" for the final assembly of the LEAP engine

COMPENSATION POLICIES FOR CORPORATE OFFICERS – 2023

General principles

In the best interests of the Company as well as its shareholders, employees and other stakeholders, the compensation policies for corporate officers must be competitive in order to attract, motivate and retain the best profiles and talent (which may come from within or outside the Group) for key positions.

The compensation policies for the Chairman of the Board of Directors and the Chief Executive Officer are defined by the Board of Directors and reviewed annually based on recommendations issued by the Appointments and Compensation Committee.

The main principles applied are detailed below.

a) Compliance

The policies are defined based on the guidelines in the AFEP-MEDEF Code, which recommends applying the principles of comprehensiveness, balance, comparability, consistency, transparency and proportionality.

b) Comprehensiveness – Balance

All components of compensation and benefits should be exhaustively analyzed on a component-by-component basis and an overall consistency analysis should then be performed to achieve the best balance between these components.

c) Alignment of interests – Transparency

Compensation and benefits packages need to take into account the necessity for companies to attract, motivate and retain talent but also the interests of shareholders and other stakeholders, particularly in relation to transparency and performance criteria.

d) Attractive, proportional, comparable and competitive packages

Compensation levels should be set in line with the duties and responsibilities assigned to the officer concerned as well as the work performed and the results achieved.

Market practices should also be taken into account.

Safran regularly carries out benchmark surveys, assisted by consulting firms, in order to measure the levels and structures of its compensation packages compared with panels of peer companies selected for their size and international scope. The surveys are performed both for the French market, in which case the peer companies comprise large industrial groups, and for the international market (the Aerospace, Technology and Defense sectors). The composition of these panels is regularly reviewed by the Appointments and Compensation Committee.

Work on drawing up the compensation policies may include considerations such as a policy's structure and components for certain categories of the Company's personnel and specific provisions for particular employee categories (such as discretionary or statutory profit-sharing, or pension arrangements), as well as information about compensation multiples (ratio between the compensation of the Chairman and the Chief Executive Officer and that of employees).

The above-mentioned benchmark surveys are used as the basis for analyzing, and making any changes to, the components of the compensation and benefits of the Chairman and the Chief Executive Officer.

e) Compensation for the performance of executive management duties

In the compensation policies for the Company's executives, a substantial proportion of the compensation is variable, directly linked to the Group's performance. The performance conditions underlying the annual variable compensation and long-term incentive plans are demanding and aligned with Safran's overall strategy and the interests of its shareholders.

f) Governance

The compensation policies for corporate officers are defined by the Board of Directors, based on recommendations issued by the Appointments and Compensation Committee, and are then proposed to the shareholders at the Annual General Meeting.

The Appointments and Compensation Committee verifies that all of the principles described above are properly applied, both for the purpose of the Committee's work in general and for the recommendations it makes to the Board in relation to defining the policies and implementing them for setting the amounts or values of compensation and benefits packages.

This process ensures that the policies (i) are aligned with the Company's best interests, (ii) are consistent with its overall strategy (in particular its business strategy, by applying exacting performance criteria for the corporate officers concerned that are closely linked to the Group's performance and objectives), and (iii) help to ensure the Company's long-term development.

The Chairman and the Chief Executive Officer do not take part in any discussions or votes on the policies concerning themselves, which therefore avoids any conflicts of interest.

g) Consistency

The Chief Executive Officer's compensation policy and the compensation mechanisms and amounts awarded to him are set in line with the policies, mechanisms and amounts awarded to the Group's other senior executives.

The Chief Executive Officer's compensation package is drawn up strictly in accordance with the principles and objectives used for establishing his compensation policy.

The components of the Chief Executive Officer's compensation comprise:

- fixed compensation;
- annual variable compensation;
- a long-term incentive plan with the use of stock option and/or performance share plans with underlying conditions related to performance and continuing service.

The performance criteria are a means for ensuring the Group's strategy is implemented and are based on the Group's financial and operating results, as well as criteria related to Safran's corporate social responsibility.

The above principles and objectives apply to the compensation structure of all the Group's personnel.

Each senior executive's compensation comprises a fixed component and short- and long-term variable components. The short- and long-term variable components remunerate individual and collective performance (financial and societal). Each person is allocated one or more of these components depending on their level of responsibility, skills and performance within the Group.

COMPENSATION PACKAGE OBJECTIVES AND STRUCTURE

** TSR: Total Shareholder Return.*

Compensation policies for corporate officers – 2023

This section constitutes the report on the compensation policies for corporate officers that is required by French law to be included in the corporate governance report. It was prepared by the Board of Directors with the assistance of the Appointments and Compensation Committee.

In compliance with Article L.22-10-8 of the French Commercial Code, the Board of Directors determines the compensation policies for the corporate officers, which notably describe the principles and criteria used to set, allocate and award the fixed, variable and exceptional components of their total compensation and benefits. The policies, both in nature and substance, comprise components that are specific to each policy, differing according to the category of corporate officer concerned, i.e., the Chairman, the Chief Executive Officer or the Directors. The policies are submitted for shareholders' approval each year at the Annual General Meeting.

In compliance with the applicable regulations concerning the compensation of corporate officers of listed companies[1], the compensation policies describe:

- the principles and rules for determining the compensation and benefits for all corporate officers;
- any major changes compared with the compensation policies approved at the May 25, 2022 Annual General Meeting;
- the specific compensation policy for the Chairman of the Board of Directors, to which no changes have been made compared with the policy approved at the last Annual General Meeting (see section 6.6.2.1 of the 2022 Universal Registration Document);
- the specific compensation policy for the Chief Executive Officer, which may be adapted and applied to any Deputy Chief Executive Officer(s) when appropriate (see section 6.6.2.2.o of the 2022 Universal Registration Document);
- the specific compensation policy for Directors, the principles and terms and conditions of which are unchanged compared with those approved at the May 25, 2022 Annual General Meeting (see section 6.6.2.3 of the 2022 Universal Registration Document).

The 2023 policies have been approved by the Board of Directors and will be submitted to a shareholder vote at the Annual General Meeting on May 25, 2023.

(1) Articles R.22-10-14 and D.22-10-16 of the French Commercial Code.

Shareholder dialogue

As part of its dialogue with shareholders, prior to the Annual General Meeting and throughout the course of the year, Safran holds meetings with investors and voting advisory firms on topics related to governance and executive compensation. Each year, the Group factors in the feedback from these meetings when drawing up the executive compensation policy.

The meetings organized in 2022 were an opportunity to present to investors and proxies the compensation policies for Safran's corporate officers which were submitted for shareholders' approval at the Annual General Meeting of May 25, 2022.

Thanks to the high quality of shareholder dialogue (with feedback on this quality being relayed to the Appointments and Compensation Committee), the shareholders have regularly voted in favor of the compensation policies and Say-on-Pay resolutions proposed at the Annual General Meetings as well as the clarifications provided for certain compensation components and the information contained in the compensation policies and the compensation report.

Voting results

Resolution	Approval rate – 2021 AGM	Approval rate – 2022 AGM
Say-on-Pay (*ex-post*) – Chairman	99.94%	99.87%
Say-on-Pay (*ex-post*) – Chief Executive Officer	95.23%	99.23%
Information disclosed in accordance with Article L.22-10-9 I of the French Commercial Code	99.87%	99.73%
Compensation policy for the Chairman of the Board of Directors	99.93%	99.83%
Compensation policy for the Chief Executive Officer	98.57%	98.42%
Compensation policy for the Directors	99.96%	99.85%

Changes in the Chief Executive Officer's compensation policy for 2023 as compared with the policy approved at the May 25, 2022 Annual General Meeting

Amendment to the Chief Executive Officer's compensation policy – review of his fixed compensation

Although as a general rule the Chief Executive Officer's fixed annual compensation may only be reviewed at the end of his term of office, in accordance with the AFEP-MEDEF Code, the Board of Directors may opt to increase his fixed compensation on an annual basis, provided that such increase is moderate and consistent with the increases in fixed compensation applied for other Safran Group senior executives in France.

Moreover, the Board of Directors confirmed that his compensation may be revised during his term and before his re-appointment if the scope of his duties as Chief Executive Officer changes significantly – which could be related to changes within the Company itself – or if a major difference is identified compared with market practices (which can happen if the compensation has not been revised for some time). Any adjustments made to his annual fixed compensation as a result of any specific circumstances, as well as the reasons for such adjustments, would be publicly disclosed.

For information purposes, for 2023 and in the current context, the Board has decided to raise the fixed compensation of the current Chief Executive Officer from €800,000 to €840,000, representing a 5% increase compared with the previous level of the fixed compensation, set in 2018 (see section 6.6.2.2.a of the 2022 Universal Registration Document). The increase is consistent with the salary increases introduced on January 1, 2023 for Safran Group senior executives in France.

Change to the Chief Executive Officer's compensation policy concerning a metric of his annual variable compensation

On February 16, 2023, the Board of Directors decided to change the Chief Executive Officer's variable compensation policy regarding the weighting of the free cash flow (FCF) objective, which is reduced from 30% to 25%, and the working capital (WC) objective, which is increased from 10% to 15%, including 10% for operating assets (Inventories).

The rest of the variable compensation policy remains unchanged, in particular as regards the overall weighting of the financial performance objectives (two-thirds), the triggering thresholds and the calculation methods.

Compensation policy for the Chairman of the Board of Directors

At the date hereof, this policy solely concerns Ross McInnes in his role as Chairman of the Board of Directors.

a) Compensation package structure

The structure of the compensation package of the Chairman of the Board of Directors (who is a non-executive Director) comprises, on a recurring basis, annual fixed compensation which is paid in cash. He is not allocated any compensation in his capacity as a Director.

The Chairman of the Board of Directors does not receive any annual or multi-annual variable compensation and is not a beneficiary of any long-term incentive plans. The Chairman is covered by the supplementary pension schemes and personal risk insurance plan implemented by the Group.

The compensation and benefits awarded to the Chairman of the Board of Directors or for which he is eligible are described below.

b) Annual fixed compensation

The Chairman of the Board's annual fixed compensation takes into account the responsibilities required for this type of corporate office as well as the individual qualities of the holder of the position and the benchmark surveys carried out by the Company.

Consequently, it is set based on the following:

- the Chairman of the Board's roles and responsibilities, which are provided for by law, Safran's bylaws and the Board of Directors' Internal Rules, and are aimed at ensuring that the Company is governed effectively and that its various governing bodies (Board of Directors and the Board Committees and Shareholders' Meetings) operate properly;
- any specific assignments allocated to the Chairman by the Board of Directors and which he carries out in cooperation with Executive Management;
- the Chairman's individual skills, experience, expertise and background;
- benchmark surveys related to compensation payable for comparable duties and companies.

The Board of Directors has decided that, as a general rule, the Chairman's annual fixed compensation may only be revised on the expiration of his term of office.

However, as an exception to this rule, his compensation may be revised during his term and before his re-appointment if the scope of his duties as Chairman of the Board changes significantly – which could be related to changes within the Company itself – or if a major difference is identified compared with market practices (which can happen if the compensation has not been revised for some time). Any adjustments made to his annual fixed compensation as a result of any specific circumstances, as well as the reasons for such adjustments, would be publicly disclosed.

After noting that the amount of fixed compensation for the office of Chairman of the Board of Directors has stayed the same since 2018, the Board of Directors considers that, in light of the latest market survey conducted in 2022, the fixed compensation of the Chairman of the Board is lower than that of his peers. However, his fixed compensation for 2023 has been kept at €450,000, unchanged from 2022, at his request (see section 6.6.2.1.a of the 2022 Universal Registration Document).

c) Directors' compensation (formerly "attendance fees")

Irrespective of whether or not the role of Chairman is separate from that of Chief Executive Officer, the Chairman is not entitled to receive any compensation in his capacity as a Director (formerly "attendance fees"). He is therefore not included in the allocation of Directors' compensation carried out in accordance with the rules provided for in the compensation policy for Directors (see section 6.6.2.3 of the 2022 Universal Registration Document).

d) No annual variable compensation, multi-year variable compensation or long-term incentive plan

In line with his position as a non-executive Director, the Chairman of the Board of Directors does not receive any annual short-term variable compensation (cash-settled) or any multi-year variable compensation, and neither is he a beneficiary of any long-term compensation plans.

e) Exceptional compensation

The Board of Directors has decided against including an exceptional component in the compensation policy for the Chairman.

f) Benefits-in-kind

The Chairman of the Board of Directors has the use of a company car.

He is also entitled to be reimbursed for expenses incurred in connection with his role as Chairman and he is provided with the material resources required for performing his duties.

g) Supplementary pension plans

Safran's policy is to align the post-employment benefits of the Chairman and the Chief Executive Officer with those of the Group's managerial-grade staff. This is in line with Safran's internal promotion policy built on helping in-house executives with considerable experience and expertise, often acquired during many years of service with the Group, to move seamlessly into corporate officer positions and to grant corporate officers similar entitlements to those of the plans' other beneficiaries.

No specific supplementary pension system has been put in place for the Chairman of the Board of Directors.

However, the Chairman may be a beneficiary of the supplementary pension plans set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries, if the Board of Directors:

- authorizes the Chairman to join the plans; or
- authorizes him to continue to be a beneficiary if he was already a beneficiary prior to his appointment as Chairman.

When the Board appointed the current Chairman, it authorized him to continue to be a beneficiary of the plans described below, and it recently re-confirmed this authorization at its meeting on February 16, 2023. In accordance with the law that was applicable before the Pacte Act[1] came into force in France on May 22, 2019, a number of the plans presented below for which the current Chairman of the Board of Directors is eligible had already been submitted for shareholders' approval by way of the special vote required for related-party commitments, in order to authorize him to continue to be eligible for the plans for which he was previously eligible prior to his appointment as Chairman.

The pension plans of which the Chairman is a beneficiary, and of which the Group's managerial-grade staff in France are also beneficiaries, are as follows:

Defined contribution plans – Mandatory retirement savings plans (PERO)

Two "Article 83" defined contribution supplementary pension plans (Core Plan and Additional Plan) were in force for the Group's engineers and managerial-grade staff (see section 6.6.1.3 of 2020 Universal Registration Document).

In order to comply with the Pacte Act and following the signature of a Group agreement in November 2021, these plans were replaced as of January 1, 2022 by mandatory retirement savings plans (*plan d'épargne retraitre obligatoire* – PERO), with no change to the contributions paid by Safran, which remain unchanged from those paid under the Article 83 plans:

- the "PERO – Core Plan", which is financed through employer contributions equal to 1.5% of salary Tranche 1, 4% of Tranche 2 and no contributions on Tranche 3[2]. The "PERO – Core Plan" contributions are based on the compensation subject to social security contributions that the Chairman receives for his role as Chairman of the Board of Directors;
- the "PERO – Additional Plan", which provides for contribution rates of 6.5% on Tranche 1 and 4% on Tranche 2. The "PERO – Additional Plan" contributions are based on the compensation subject to social security contributions that the Chairman receives for his role as Chairman of the Board of Directors, capped at eight times the annual social security ceiling (PASS).

The Chairman is eligible for these plans under the same terms and conditions as the other plan beneficiaries.

As provided for in the Group's Activity Transformation Agreement (see section 5.4.2.2 of the 2021 Universal Registration Document), employer contributions to the Article 83 (now replaced by PERO) and Article 82 defined contribution supplementary pension plans were frozen for 2021. Consequently, no contributions were paid to either of those plans for the Chairman for 2021. These payments were reactivated for 2022 for all beneficiaries, including the Chairman.

Information on the expenses recognized for 2022 by the Company in relation to the PERO plans of which the Chairman is a beneficiary, as well as the estimated theoretical amount[3] at December 31, 2022 of the annuity that could be paid to him under those plans, are disclosed in section 6.6.3.1.d of the 2022 Universal Registration Document.

"Article 82" defined contribution plan

The Chairman is a beneficiary of Safran's defined contribution supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 82 of the French Tax Code (the "Article 82 Plan"), subject to the same terms and conditions as the other plan beneficiaries.

The contributions to the plan are based on the fixed compensation that Ross McInnes receives for his role as Chairman of the Board of Directors. In view of his status as Chairman, the plan does not have any underlying performance conditions, meaning that his compensation is not linked to the Company's performance, in compliance with the requirement in the AFEP-MEDEF Code for non-executive officers.

The Article 82 Plan was put in place to compensate for the closure of Safran's Article 39 defined benefit plan as from January 1, 2017 (see below). Unlike the Article 39 defined benefit plan, the Article 82 Plan does not provide a guaranteed level of retirement benefits. It is a voluntary plan which eligible beneficiaries can decide whether or not to sign up to.

Eligible beneficiaries correspond to top executives (*hors statut*) whose reference compensation (fixed compensation and annual bonus) for the calendar year preceding the assessment date (Y-1) is equal to or higher than seven times the social security ceiling (PASS) for Y-1. The reference compensation for Y-1 is used to calculate the contributions to the plan. This reference compensation corresponds to the beneficiary's full-time basic fixed compensation plus the short-term bonus for the year concerned and excludes any other components of compensation.

In order for entitlements to accrue under the plan, the Company is required to:

- pay monthly contributions to an insurer, the rate of which is set based on the beneficiary's reference compensation for year Y-1 (Insurer Contribution) and which may represent up to 12.735% of that reference compensation; and
- pay a cash amount to the beneficiary corresponding to the Insurer Contribution (Additional Payment) so that the beneficiary can pay the applicable tax (the plan provides for up-front taxation so that the capital accrued and received on the beneficiaries' retirement is net of tax and social security contributions).

The above payments are borne in full by the Company and are subject to social security contributions in the same way as salaries.

(1) French law no. 2019-486 of May 22, 2019 that notably introduced changes to defined contribution supplementary pension plans.

(2) To calculate the amount of pension contributions, the pension funds divide gross annual salary into two tranches: Tranche 1 and Tranche 2. The portion of salary attributed to each tranche determines the amount of the contributions. Tranche 1 corresponds to the portion of salary below the social security ceiling. Tranche 2 corresponds to the portion of salary between one and eight times the social security ceiling.

(3) Calculated based on the assumption that the annuity would be received as from January 1, 2023, irrespective of the eligibility conditions.

As provided for in the Group's Activity Transformation Agreement (see section 5.4.2.2 of the 2021 Universal Registration Document), employer contributions to the PERO and Article 82 defined contribution supplementary pension plans were frozen for 2021. Consequently, no contributions were paid to either of those plans for the Chairman for 2021. These payments were reactivated for 2022 for all beneficiaries, including the Chairman.

Information on the expenses recognized for 2022 by the Company in relation to the Article 82 Plan of which the Chairman is a beneficiary, as well as the estimated theoretical amount[1] at December 31, 2022 of the annuity that could be paid to him under that plan, are disclosed in section 6.6.3.1.d of the 2022 Universal Registration Document.

"Article 39" defined benefit plan (closed to new entrants and entitlements frozen)

The Chairman was previously a beneficiary of Safran's defined benefit supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 39[2] of the French Tax Code (the "Article 39 Plan"), subject to the same terms and conditions as the other plan beneficiaries. Ross McInnes was originally a beneficiary of this plan in his former capacity as Deputy Chief Executive Officer. The commitment given by the Company to enable Ross McInnes to continue to be a beneficiary of this plan was approved at the Annual General Meeting of May 19, 2016.

This plan was closed to new entrants and existing entitlements frozen as from December 31, 2016. The Article 82 defined contribution plan described above was set up to compensate for this closure.

However, as decided by the Board at its meeting on March 23, 2017, the Chairman could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met, it being specified that:

- the reference compensation used to calculate the conditional entitlements will be calculated based on the average of beneficiaries' gross fixed and variable compensation for the years 2014 to 2016 (revalued annually using the actuarial assumptions applied to calculate retirement benefit provisions);
- the seniority taken into account for the plan – which represents an additional 1.8% of the reference compensation per year of service, capped at 18% – will have a cut-off date of December 31, 2016 and no additional conditional entitlements will be accrued under the plan for any service after that date. Consequently the seniority taken into account for the Chairman will correspond to 14%;
- the overall replacement rate may not exceed 35% of the reference compensation;
- the supplementary pension annuity is capped at three times the annual social security ceiling (PASS) in force at the date that the general social security retirement pension is paid (the value of the PASS in 2023 is €43,992, compared with €41,136 in 2022, representing an increase of 6.9%);
- the payment of the supplementary pension annuity is subject to beneficiaries completing their careers with the Group and being entitled to retire under French social security rules having completed the required number of working years.

For information purposes, the estimated theoretical amount[3] at December 31, 2022 of the annuity that could be paid to the Chairman under the frozen Article 39 plan is provided in section 6.6.3.1.d of the 2022 Universal Registration Document.

h) Personal risk insurance plan

The Chairman of the Board of Directors is a beneficiary of the personal risk insurance plan set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries.

The contributions to this plan are based on the compensation subject to social security contributions that Ross McInnes receives for his role as Chairman of the Board of Directors.

Information on the expenses recognized for 2022 by the Company in relation to the personal risk insurance plan of which the Chairman is a beneficiary is disclosed in section 6.6.3.1.c of the 2022 Universal Registration Document.

i) Termination of employment contract

As previously announced (see sections 6.1.1 and 8.2.1 of the 2018 Registration Document), the Chairman terminated his employment contract when his term of office was renewed on May 23, 2019. He did not receive any severance pay or other specific benefits on the termination of his employment contract. At that date, he lost the entitlements to severance pay and retirement bonuses associated with his employment contract (see section 6.6.2.1 of the 2018 Registration Document).

j) Indemnities or benefits payable for termination of office, change in duties or non-compete agreements

The Chairman of the Board of Directors is not eligible for any indemnities or benefits if his office is terminated or if there is a change in his duties. Similarly, he is not entitled to any non-compete indemnity.

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(1) *Calculated based on the assumption that the annuity would be received as from January 1, 2023, irrespective of the eligibility conditions.*

(2) *Defined benefit plan meeting the conditions set out in Article L.137-11 of the French Social Security Code (*Code de la sécurité sociale*).*

(3) *Calculated based on the assumption that the annuity would be received as from January 1, 2023, irrespective of the eligibility conditions.*

Compensation policy for the Chief Executive Officer

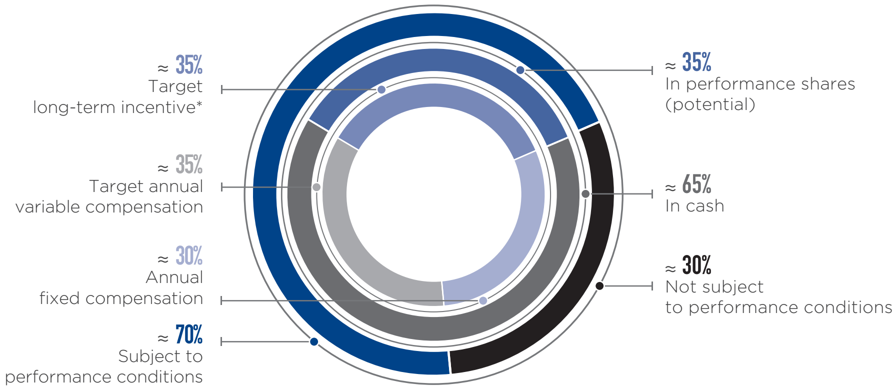
At the date hereof, this policy solely concerns Olivier Andriès, who has been the Group's Chief Executive Officer since January 1, 2021.

a) Compensation package structure

The structure of the Chief Executive Officer's compensation package comprises, on a recurring basis, annual fixed compensation (cash-settled), as well as annual variable compensation and performance shares granted under a long-term incentive plan. This structure is applied to all of the Company's senior executives, adapted to each individual.

The underlying aim is to closely align the Company's interests with those of its shareholders by achieving a balance between short-term and long-term performance, as assessed by the Board of Directors. Compensation subject to performance conditions accounts for the largest proportion of the Chief Executive Officer's overall compensation package.

PRESENTATION OF THE CHIEF EXECUTIVE OFFICER'S RECURRING COMPENSATION STRUCTURE



** Value at grant date in accordance with IFR.*

The compensation and benefits awarded to the Chief Executive Officer or for which he is eligible are detailed below.

b) Annual fixed compensation

The Chief Executive Officer's annual fixed compensation takes into account the responsibilities required for this type of corporate office as well as the individual qualities of the holder of the position and the benchmark surveys carried out by the Company.

Consequently, it is set based on the following:

- the level and complexity of the assignments and responsibilities related to the position, in view of the fact that the Chief Executive Officer has the broadest powers to act in all circumstances in the Company's name and to represent the Company in its dealings with third parties;
- the Chief Executive Officer's individual skills, experience, expertise and background;
- benchmark surveys related to compensation payable for comparable duties and companies.

The Board of Directors has decided that, as a general rule, the Chief Executive Officer's annual fixed compensation may only be revised on the expiration of his term of office.

However, the Board may opt to increase his fixed compensation on an annual basis, provided that such increase is moderate and consistent with the increases in fixed compensation applied for other Safran Group senior executives in France.

Moreover, his compensation may also be revised during his term and before his re-appointment if the scope of his duties as Chief Executive Officer changes significantly – which could be related to changes within the Company itself – or if a major difference is identified compared with market practices (which can happen if the compensation has not been revised for some time). Any adjustments made to his annual fixed compensation as a result of any specific circumstances, as well as the reasons for such adjustments, would be publicly disclosed.

The Chief Executive Officer's annual fixed compensation is used as a reference for determining the target and maximum percentages of his annual variable compensation and the long-term incentive plan.

For information purposes, at its meeting on February 16, 2023, acting on the recommendation of the Appointments and Compensation Committee, the Board of Directors decided to increase the Chief Executive Officer's fixed compensation for 2023 from €800,000 to €840,000. The revision represents a 5% increase on the amount of his previous fixed compensation, which has stayed the same since he was appointed as Chief Executive Officer in 2021 and which has also remained unchanged since 2018 for the position of Chief Executive Officer in general.

The increase is consistent with the budget allocated in 2023 for salary increases for Safran Group senior executives in France.

c) Annual variable compensation

1. Objectives of and principles used to determine the Chief Executive Officer's annual variable compensation

The principle of annual variable compensation is used to incentivize the Chief Executive Officer to achieve the annual performance targets that are set for him by the Board of Directors in line with Safran's overall business strategy.

The potential amount of this variable compensation is determined taking into account market practices and corresponds to a percentage of his fixed compensation, as recommended in the AFEP-MEDEF Code.

It is contingent on achieving pre-defined performance levels based on a number of objectives which are collective and individual, financial and non-financial and quantitative and qualitative. The objectives relate to key indicators that reflect the Group's overall performance as well as the contribution expected from the Chief Executive Officer, in line with Safran's overall business strategy.

During the first quarter of each year, acting on the recommendations of the Appointments and Compensation Committee, the Board of Directors either confirms or sets these objectives as well as their weighting and the applicable performance levels, i.e.:

- the lowest performance level, under which no variable compensation is paid;
- the target level, corresponding to when an objective is reached; and
- the maximum level applicable if an objective is exceeded.

The quantitative financial performance objectives – which are based on financial indicators – are set precisely, by reference to the budget approved in advance by the Board of Directors (as adjusted, if necessary, to take into account exceptional circumstances or events), and are subject to the performance thresholds set out below.

The achievement rates of the performance objectives are assessed by the Board of Directors, based on the review and recommendations of the Appointments and Compensation Committee. The review is carried out on an objective-by-objective basis, for all of the financial and individual and qualitative and quantitative objectives, as well as on an aggregate basis. The results of this assessment are published in a press release.

An overall percentage achievement rate is calculated both for (i) the financial objectives and (ii) the individual objectives, based on the applicable metrics and weightings and the achievement rates for each objective. These overall percentages are then used to calculate the actual amount due.

2. Detailed description of the Chief Executive Officer's annual variable compensation

The Board of Directors has decided that the Chief Executive Officer's variable compensation will be based on the following:

Target annual variable compensation and maximum amount ("Cap")

The Chief Executive Officer's "target" variable compensation – i.e., the amount payable if the achievement rate is 100% for all of the financial and individual performance objectives set out below – corresponds to 120% of his annual fixed compensation (the "Target").

If the Chief Executive Officer outperforms his objectives, his "maximum" variable compensation – i.e., the amount payable if the achievement rate is 130% for all of the financial and individual performance objectives set out below – will represent a maximum of 150% of his annual fixed compensation (the "Cap").

Structure – Criteria

The Chief Executive Officer's annual variable compensation is determined as follows:

- two-thirds is contingent on quantitative financial performance objectives based on recurring operating income (ROI)[1], free cash flow (FCF)[2] and working capital (WC), calculated by reference to operating assets (Inventories)[3] and Unpaid Receivables[4];
- one-third is contingent on quantitative and qualitative individual objectives.

This annual variable compensation structure is also used for the Group's senior executives, adapted to each individual.

(1) Adjusted recurring operating income (see section 2.1.2 of the 2022 Universal Registration Document).

(2) Free cash flow (see section 2.2.3 of the 2022 Universal Registration Document) corresponds to cash flow from operating activities less changes in working capital and acquisitions of property, plant and equipment and intangible assets.

(3) Inventories and work-in-progress, as described in section 3.1, Note 3.o of the 2022 Universal Registration Document and broken down in section 3.1, Note 18.

(4) Receivables unpaid at their due date, as measured at the end of the reference period.

Quantitative financial performance objectives – parameters

The following parameters apply:

- Weightings:
  - ROI: 60%;
  - FCF: 25% (vs. 30% previously); and
  - working capital: 15% (vs. 10% previously), with 10% based on operating assets (Inventories) (vs. 5% previously) and 5% based on Unpaid Receivables.
- Triggering thresholds (Thresholds) based on the objectives in the annual budget which serves as the reference (Objective(s)):
  - 80% of the ROI Objective;
  - 65% of the FCF Objective;
  - 135% of each of the working capital Objectives, i.e., Inventories and Unpaid Receivables (if the level is higher than 135% for either of these Objectives, no additional variable compensation will be due as anything over 135% for these two metrics corresponds to underperformance).
- Calculation methods for the Thresholds, Target and Caps:
  - the Threshold for each performance metric triggers the entitlement to variable compensation (starting at 0 from the Threshold and reaching up to the Target if the budget Objective is achieved); if the achievement level of an Objective is 100%, the Target for the performance metric concerned will be payable;
  - if an Objective is exceeded, the variable compensation allocated in respect of that Objective will be increased beyond the Target in proportion to the extent to which the Objective is exceeded (but capped at a maximum of 130% irrespective of the extent to which the Objective is exceeded). Consequently:
    - if 130% (or more) of the ROI Objective is achieved, the Cap for this metric will be payable,
    - if 130% (or more) of the FCF Objective is achieved, the Cap for this metric will be payable,
    - if 70% (or less) of each of the working capital Objectives is achieved (Inventories and Unpaid Receivables), the Cap for each of these metrics will be payable.

Based on these indicators, an overall percentage achievement level of the financial objectives is obtained, which is then applied for determining the amount due.

For achievement levels between the Threshold and the Target and the Target and the Cap, the amounts payable will be calculated on a straight-line basis.

The applicable indicators are usually set by the Board of Directors in the first quarter of the year concerned and they may be changed from one year to the next.

Individual objectives (qualitative and quantitative)

These objectives are set by the Board of Directors and relate to strategic, business and managerial areas specific to the coming year. For example, they can be based on the implementation of strategic decisions validated by the Board of Directors, major industrial and commercial developments and programs, organizational and management measures or initiatives that factor in the Group's CSR and sustainable development policy.

These objectives are not related to routine tasks but to specific actions for which the Board of Directors expects a particular level of performance.

When setting these individual objectives, the Board is careful to factor in the Group's CSR and sustainable development targets and to ensure that some of the objectives are quantifiable, bearing in mind that two-thirds of the Chief Executive Officer's annual variable compensation is based on the achievement of quantitative objectives relating to financial performance.

An overall percentage achievement rate is calculated for the individual objectives based on the applicable weightings and the achievement rates for each objective. This overall percentage is then used to calculate the actual amount due.

Information on the current Chief Executive Officer's individual objectives for 2023 is provided in the table below.

Payment condition

In accordance with the law, the payment of the Chief Executive Officer's annual variable compensation for 2023 (payable in 2024) will be subject to approval by the shareholders at the Annual General Meeting to be held in 2024.

Illustrative table for 2023 annual variable compensation

The table below summarizes the main rules applicable to the Chief Executive Officer's annual variable compensation for 2023 as well as the underlying performance objectives and their respective weightings, as set by the Board of Directors on February 16, 2023 based on the recommendation of the Appointments and Compensation Committee.

2023 annual variable compensation for the Chief Executive Officer – Olivier Andriès (payment subject to shareholders' approval at the 2024 Annual General Meeting):

1. The proposed compensation policy for the Chief Executive Officer (see section 6.6.2.2.c of the 2022 Universal Registration Document) provides that his "target" variable compensation – i.e., the amount payable if the achievement rate is 100% for all of the financial and individual performance objectives – will correspond to 120% of his annual fixed compensation of €840,000 (the "Target").
2. If the Chief Executive Officer outperforms his objectives, his "maximum" variable compensation – i.e., the amount payable if the achievement rate is 130% for all of the financial and individual performance objectives – will represent a maximum of 150% of his annual fixed compensation (the "Cap").

- Target amount: €1,008,000, i.e., 120% of his fixed compensation if the achievement rate for all of the objectives is 100%
- Maximum amount: €1,260,000, i.e., 150% of his fixed compensation if the achievement rate for all of the objectives is 130%

1. 2023 financial performance objectives *(quantitative financial objectives)* (adjusted data)*		Weighting
Accounting for 2/3 of the CEO's annual variable compensation (67%)		
1	Recurring operating income (ROI)	60%
2	Free cash flow (FCF)	25%
3	Working capital, comprising the following components:	15%
	Operating assets (Inventories)	10%
	Unpaid receivables (late customer payments)	5%
Sub-total (base: 100%)		**100%**

2. 2023 individual objectives *(qualitative and quantitative individual performance objectives)**		Weighting
Accounting for 1/3 of the CEO's annual variable compensation (33%)		
1	Technological transition (qualitative and quantitative)	20%
2	Technological and industrial evolution of Seats and Cabin businesses (qualitative and quantitative)	20%
3	Expand and strengthen strategic partnerships in civil and military aeronautic (qualitative)	15%
4	Digital/Cybersecurity (qualitative and quantitative): ■ Pursuing the Cyber plan ■ Deploying the "Digital Academy" focused on digital transformation ■ Drafting the High Performance Computing (HPC) 4.0 roadmap ■ Pursuing the international expansion of digital centers of excellence	10%
5	CSR & human capital (qualitative and quantitative): ■ Safety: Frequency rate of lost-time accidents maintained at the same level, amid the ramp-up in business ■ Diversity & gender equality: Objectives linked to increasing the number of women among senior executives and within the Group Executive Committee and companies' management committees – Implementation of the inclusion/diversity roadmap ■ Human capital: Initiatives to develop Safran talent and executives over the long term ■ Climate – Low-carbon: 1. Ensuring the rise in maturity of the energy management system, with the aim of all sites achieving Silver status (analysis of the main sources of consumption and energy performance, robust energy saving action plan) 2. Implementing the Energy Sobriety Plan in Europe 3. Taking ongoing steps to achieve the action plan to reduce CO_2 emissions by 30% by 2025 (compared to 2018), with 75% of the actions completed, the remaining 25% on track, and sufficient margins identified to deal with contingencies 4. Establishing an action plan for each key company to achieve a 50% reduction in emissions by 2030 (compared to 2018) and integrating financing of the plans into the Group's medium-term plan 5. Mobilizing the main suppliers to increase their maturity on decarbonization, with the objective of conducting a carbon assessment for the 400 main suppliers	35%
Sub-total (base: 100%)		**100%**

* *The content of the individual qualitative objectives and the expected achievement rates for the quantitative objectives have been precisely pre-determined and defined, but cannot be disclosed in further detail for confidentiality reasons in view of their strategic and competitive sensitivity.*

The achievement of the financial and individual objectives set for the Chief Executive Officer's variable compensation for 2023 will be reviewed by the Board of Directors in early 2024, based on the recommendation of the Appointments and Compensation Committee.

Payment of this annual variable compensation for 2023 will be subject to shareholders' approval at the 2024 Annual General Meeting.

d) Long-term incentive plan (performance share grants)

1. Objective

The Board of Directors considers that the long-term incentive system – which also applies to other key positions within the Company – is particularly suited to the position of Chief Executive Officer in view of the direct contribution expected from him to the Group's long-term performance. In addition, the system is based on performance share grants which strengthen the motivation and teamwork of beneficiaries and foster their loyalty, while at the same time aligning their interests with those of the Company and its shareholders. These share grants are also in line with the Board's strategy of linking the incentives of senior executives to Safran's share performance – with the inherent risks and rewards that this involves – in order to encourage long-term reasoning in their actions.

The Board of Directors may only grant performance shares if it has been given the necessary authorizations by way of a two-thirds majority vote of shareholders in an Extraordinary General Meeting. Consequently, related resolutions will be submitted to the Annual General Meeting and the shareholders will be asked to approve the components of the long-term incentive system. If approved, these resolutions could be used to add to and adjust the policy applicable to the Chief Executive Officer in relation to long-term compensation.

2. Detailed description of the Chief Executive Officer's annual variable compensation

Performance share grants made to the Chief Executive Officer are subject to the following principles and criteria:

Cap

The number of performance shares granted to the Chief Executive Officer may not:

- represent more than the equivalent of 120% of his annual fixed compensation, based on the accounting value, in accordance with IFRS 2[(1)], estimated prior to the grant;
- exceed 5% of the total performance shares making up each grant. In addition, the resolutions submitted to shareholders in an Extraordinary Shareholders' Meeting for the purpose of authorizing such grants will set a maximum percentage of the Company's capital that the performance shares may represent.

Performance conditions

All performance shares granted to the Chief Executive Officer will only vest if the applicable internal and external performance conditions are met. The achievement of these conditions will be assessed over three full consecutive fiscal years, including the year in which the performance shares are granted. These performance criteria are also applied to the Group's other beneficiaries of performance shares, with appropriately adapted weightings where applicable.

Standard internal conditions

The standard internal performance conditions account in principle for 70% of the Chief Executive Officer's total vested shares and are based on the Group's financial and economic performance as well as its non-financial performance if decided by the Board of Directors.

- **Financial and economic performance**

  The two standard internal performance conditions relating to financial and economic performance account in principle for 50% of the total vested shares and are based on:
  - recurring operating income (ROI), for 50%;
  - free cash flow (FCF), for 50%.

  The financial and economic performance conditions will be assessed over a three-year period. The achievement levels for these conditions are measured by reference to the average of the ROI and FCF targets for the fiscal year in which the grant takes place and for the following two fiscal years, as set in the Group's most recent medium-term plan (MTP) or in the budget based on the MTP for the fiscal year in progress, as adjusted to factor in any exceptional circumstances or events and approved by the Board of Directors before the grant date (the "Reference Target"). The following achievement levels have been set for these conditions:
  - lowest achievement level: if 80% of the Reference Target is achieved, 40% of the shares contingent on that target will vest;
  - target achievement level: if 100% of the Reference Target is achieved, 80% of the shares contingent on that target will vest;
  - highest achievement level (cap): if 125% of the Reference Target is achieved, 100% of the shares contingent on that target will vest;
  - between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the internal performance condition concerned will vest.
- **Non-financial performance**

  The internal conditions relating to non-financial performance count, in principle, for 20% of the total vested shares.

  The non-financial conditions relate to CSR and sustainable development objectives. The conditions, defined by the Board of Directors prior to the grant date, could take into account the Group's medium-term priorities or strategic challenges on these issues.

  They will be quantifiable or measurable, making it possible to objectively monitor them and identify the actual achievement rate at the end of the performance period. When the Board of Directors grants performance shares, these conditions are communicated along with their respective weightings and other essential parameters.

  For example, they can be based on targets related to:
  - environmental and climate issues (such as the reduction of CO_2 emissions);
  - gender equality (such as the proportion of women senior executives within the Group); and
  - safety (such as reducing the lost-time accident frequency rate).

  The non-financial conditions applicable to the performance shares granted by the Board of Directors on March 23, 2023 were based on the above targets (see sections 6.6.3.2.c and 6.6.5.2.2 of the 2022 Universal Registration Document).

(1) *See section 3.1, Note 3.r of the 2022 Universal Registration Document.*

External performance condition

The external performance condition counts, in principle, for 30% of the total vested shares and is based on Safran's total shareholder return (TSR) performance as measured relative to a panel of companies or reference indices. The composition of this panel may change in order to factor in changes in the structure or operations of the Group or of the companies and indices concerned.

The following achievement levels have been set for this condition:

- lowest achievement level: if Safran's TSR is equal to that of the peer companies, 40% of the shares contingent on the external performance condition will vest;
- target achievement level: if Safran's TSR is 8 points higher than that of the peer companies, 80% of the shares contingent on the external performance condition will vest;
- highest achievement level (cap): if Safran's TSR is 12 points higher than that of the peer companies, 100% of the shares contingent on the external performance condition will vest;
- between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the external performance condition will vest.

If allowed by the relevant shareholder authorization covering performance share grants, the Board of Directors may, at its discretion, revise the weighting of this external condition, but to no less than 20%, in order to increase the weighting of the standard internal conditions to 80% where required, particularly if the Board believes that it would be useful or necessary to do so in light of the Group's strategic priorities and/or medium-term imperatives. If the Board does decide to revise this weighting, it will disclose this fact via a press release.

Additional conditions

As well as the portion attributed to the standard performance conditions, the Board of Directors may, at its discretion, apply additional demanding and quantifiable performance conditions for which it would define the parameters, in order to take into account the Group's medium-term priorities and challenges. In such a case, the additional performance conditions and their parameters, as defined by the Board of Directors prior to the grant, would be disclosed and their weighting would reduce the weighting of the standard internal performance conditions.

Such additional performance conditions would not therefore affect the cap on the value of grants to be made as defined above.

Overall presentation – Illustration and weightings

Performance conditions*			Overall weighting (in principle)
Standard internal performance conditions	Financial and economic performance	ROI (adjusted recurring operating income).	25%
		FCF (free cash flow).	25%
	Non-financial performance	CSR and sustainable development objectives. The Group's medium-term priorities or strategic challenges on these issues.	20%
External performance condition	TSR	Safran's total shareholder return (TSR) compared with a panel of companies or benchmark indices.	30%
TOTAL			**100%**

* *Excluding any additional performance conditions that may be included (see above).*

The achievement rate of each performance condition is assessed by the Board of Directors, based on the review and recommendations of the Appointments and Compensation Committee. The results of this assessment are published in a press release.

Vesting and lock-up periods

The shares granted to the Chief Executive Officer are subject to a vesting period set by the Board of Directors, which may not be less than three years.

In addition, any shares granted to the Chief Executive Officer will be subject to a lock-up period of at least one year following their vesting date.

Other conditions

Holding requirement and undertaking not to use hedges

The Chief Executive Officer:

- is required to hold in registered form a proportion of his vested shares, as set by the Board of Directors, until his term of office as Chief Executive Officer ends.

  The Board has decided that following the lock-up period and for the duration of his term of office, the Chief Executive Officer will be required to hold in registered form 40% of the vested performance shares delivered to him under performance share plans, until the number of shares he holds represents the equivalent of one year of his most recent annual fixed compensation.

  In addition, the Chief Executive Officer will be required to hold in registered form, until his term of office as Chief Executive Officer ends, a minimum of 500 of the vested performance shares delivered to him under each of the performance share plans under which he is granted performance shares during his term of office as Chief Executive Officer;
- must give a formal undertaking to refrain from using instruments to hedge the risks related to these shares until after the end of the lock-up period.

Continuing service condition – principles and exceptions

Under the rules of the performance share plan, the shares will only vest if the beneficiary still forms part of the Group on the vesting date ("continuing service condition"), apart from in a limited number of usual cases (death, disability, retirement of the beneficiary and a specific decision by the Board of Directors).

In particular:

- In the event of his death before the end of the vesting period, the Chief Executive Officer's heirs or beneficiaries may ask for the performance shares to be attributed (and delivered) to them. If the achievement rate of the performance conditions is not yet known at that date, the performance conditions will be deemed to have been met.
- If the Chief Executive Officer retires before the end of the vesting period, and provided that he has been with the Group for at least one year before retirement, he will retain his rights proportionately to the time he was with the Group during the vesting period.
- The Board of Directors may grant exemptions from the continuing service condition and the requirements set out above, and may decide to maintain all or part of the beneficiary's entitlements, in accordance with terms and conditions set by the Board.

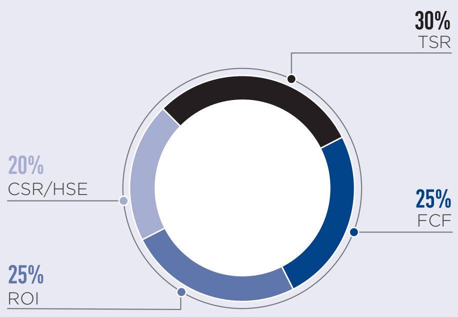
Information on performance share grants made to the Chief Executive Officer in 2022 and 2023 is provided in sections 6.6.3.2.c and 6.6.5.2.1 of the 2022 Universal Registration Document.

Illustrative case for the 2023 grant

At its meeting on March 23, 2023, acting on the recommendation of the Appointments and Compensation Committee, the Board of Directors used the authorization granted by the shareholders in the 30th resolution of the May 26, 2021 Annual General Meeting to grant performance shares to certain Group managers and senior executives (see section 6.6.5.2.2 of the 2022 Universal Registration Document).

As part of this overall grant, the Board granted 10,721 performance shares to the Chief Executive Officer, representing less than 5% of the total number of performance shares granted during 2023, which complied with the compensation policy described in section 6.6.2.2 of the 2022 Universal Registration Document.

The performance shares granted to the Chief Executive Officer are subject to the condition that he is still with the Group when the shares vest ("continuing service condition") and to the achievement of internal and external performance conditions (see section 6.6.5.2.2 of the 2022 Universal Registration Document for a summary), based on the following weightings:



The vesting period has been set at three years (2023-2025) and the number of shares that will ultimately vest will depend on the extent to which the applicable conditions are met over that period.

The performance shares delivered to the Chief Executive Officer at the end of the vesting period will be subject to a one-year lock-up period.

The Board also confirmed that following this lock-up period and until his term of office ends, the Chief Executive Officer will be required to hold in registered form 40% of the vested performance shares delivered under this plan or any other plans until the number of shares he holds represents the equivalent of one year of his most recent annual fixed compensation. In addition, the Chief Executive Officer will be required to hold in registered form, until his term of office as Chief Executive Officer ends, a minimum of 500 of the vested performance shares delivered to him under this plan and any other plan under which he is granted performance shares during his term of office as Chief Executive Officer.

The accounting value of these 10,721 performance shares, as measured at the grant date in accordance with IFRS 2 (see section 3.1, Note 3.r of the 2022 Universal Registration Document – i.e., March 23, 2023), corresponds to €1.01 million.

e) Multi-year variable compensation

The Board of Directors has decided not to put in place a multi-year variable compensation plan as it considers that share-based payments such as performance share grants are more in line with shareholders' interests (see the long-term incentive plan above).

f) Exceptional compensation

The Board of Directors has decided against including an exceptional component in the compensation policy for the Chief Executive Officer.

g) Directors' compensation (formerly "attendance fees")

The Chief Executive Officer does not receive any compensation in his capacity as a Director of the Company He is therefore not included in the allocation of Directors' compensation carried out in accordance with the rules provided for in the compensation policy for Directors (see section 6.6.2.3 of the 2022 Universal Registration Document).

h) Benefits-in-kind

The Chief Executive Officer has the use of a company car.

He is also entitled to be reimbursed for expenses incurred in connection with his role as Chief Executive Officer, as well as any specifically agreed personal travel expenses, and he is provided with the material resources required for performing his duties.

i) Supplementary pension plans

Safran's policy is to align the post-employment benefits of the Chairman and the Chief Executive Officer with those of the Group's managerial-grade staff. This is in line with Safran's internal promotion policy built on helping in-house executives with considerable experience and expertise, often acquired during many years of service with the Group, to move seamlessly into corporate officer positions and to grant corporate officers similar entitlements to those of the plans' other beneficiaries.

No specific supplementary pension plan has been put in place for the Chief Executive Officer.

However, the Chief Executive Officer may be a beneficiary of the supplementary pension plans set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries, if the Board of Directors:

- authorizes the Chief Executive Officer to join the plans; or
- authorizes him to continue to be a beneficiary if he was already a beneficiary prior to his appointment as Chief Executive Officer.

At its meeting on December 16, 2020, the Board of Directors decided that the Chief Executive Officer would continue to be a beneficiary of the plans and benefits described below, for which he was already eligible when he was an employee, i.e., before he was appointed as Chief Executive Officer.

The Chief Executive Officer is a beneficiary of the same plans as described in section 6.6.2.1.g of the 2022 Universal Registration Document concerning the compensation policy for the Chairman.

Defined contribution plans: (PERO (former Article 83) – Core Plan, PERO (former Article 83) – Additional Plan and Article 82)

The Chief Executive Officer is a beneficiary of these plans under the same terms and conditions as the other plan beneficiaries.

The "PERO – Core Plan" contributions are based on the compensation subject to social security contributions that the Chief Executive Officer receives for his role as Chief Executive Officer.

The "PERO – Additional Plan" contributions are based on the compensation subject to social security contributions that the Chief Executive Officer receives for his role as Chief Executive Officer, capped at eight times the annual social security ceiling (PASS).

The contributions to the Article 82 defined contribution plan are based on the annual fixed compensation and the annual variable compensation (subject to the performance conditions defined in section 6.6.2.2.c of the 2022 Universal Registration Document) that the Chief Executive Officer receives for his role as Chief Executive Officer.

As provided for in the Group's Activity Transformation Agreement (see section 5.4.2.2 of the 2021 Universal Registration Document), employer contributions to the PERO and Article 82 defined contribution supplementary pension plans were frozen for 2021. Consequently, no contributions were paid to either of those plans for the Chief Executive Officer for 2021. These payments were reactivated for 2022 for all beneficiaries, including the Chief Executive Officer.

Information on the expenses recognized for 2022 by the Company in relation to the PERO plans of which the Chief Executive Officer is a beneficiary, as well as the estimated theoretical amount[1] at December 31, 2022 of the annuity that could be paid to him under those plans, are disclosed in section 6.6.3.2.f of the 2022 Universal Registration Document.

Information on the expenses recognized for 2022 by the Company in relation to the Article 82 Plan of which the Chief Executive Officer is a beneficiary, as well as the estimated theoretical amount[1] at December 31, 2022 of the annuity that could be paid to him under that plan, are disclosed in section 6.6.3.2.f of the 2022 Universal Registration Document.

"Article 39" defined benefit plan (closed to new entrants and entitlements frozen)

The Chief Executive Officer was previously a beneficiary of Safran's defined benefit supplementary pension plan set up in France for all Group managerial-grade staff pursuant to Article 39 of the French Tax Code (the "Article 39 Plan"; see section 6.6.2.1.g of the 2022 Universal Registration Document), subject to the same terms and conditions as the other plan beneficiaries. Olivier Andriès was originally a beneficiary of this plan in his former capacity as a Company employee. This plan is now closed to new entrants and the benefit entitlements have been frozen, including for the Chief Executive Officer.

However, he could still be eligible for the pension entitlement that he had accrued under the plan until December 31, 2016, provided the applicable terms and conditions are met (see section 6.6.2.1.g of the 2022 Universal Registration Document). These terms and conditions notably include seniority, which accounts for an additional 15.9% of the reference compensation.

For information purposes, the estimated theoretical amount[1] at December 31, 2022 of the annuity that could be paid to the Chief Executive Officer under the frozen Article 39 plan is provided in section 6.6.3.2.f of the 2022 Universal Registration Document.

(1) Calculated based on the assumption that the annuity would be received as from January 1, 2023, irrespective of the eligibility conditions.

j) Personal risk insurance plan

The Chief Executive Officer is a beneficiary of the personal risk insurance plan set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries.

The contributions to this plan are based on the compensation subject to social security contributions that the Chief Executive Officer receives for his role as Chief Executive Officer.

k) Indemnities or benefits payable to the Chief Executive Officer for termination of office, change in duties or non-compete agreements

The Chief Executive Officer is not eligible for any indemnities or benefits if his office is terminated or if there is a change in his duties. Similarly, he is not entitled to any non-compete indemnity.

This approach is consistent with Safran's policy, described below, of suspending, rather than terminating, the employment contracts of any Group senior executives who are appointed as corporate officers of the Company, and is aimed at avoiding any potential cumulation of corporate officers' benefits and benefits attributable under employment contracts.

l) Suspension of the Chief Executive Officer's employment contract and related entitlements

Safran's policy is to suspend, rather than terminate, employment contracts when senior executives are appointed as corporate officers because, depending on their age and length of service with the Group, terminating their employment contract could deter them from moving into top executive positions on account of the rights they could lose upon such termination. This policy is aimed at favoring internal promotion of talent wherever possible, which enables Safran to propose corporate officer positions to its senior executives who have the highest level of know-how, share and relay the Group's culture and values, and have in-depth knowledge of its markets. The objective of suspending, rather than terminating, employment contracts is not to avoid the AFEP-MEDEF Code's recommendations and guidelines relating to Chief Executive Officers (notably concerning corporate officers' departures), since reactivating an employment contract at the end of a corporate officer's term of office does not release him or her from the regulatory framework applicable to such officers.

The Chief Executive Officer has a permanent employment contract with Safran SA, which has been suspended but not terminated (see sections 6.4 and 6.6.2.2.l of the 2022 Universal Registration Document). In accordance with the collective bargaining agreement applicable to Safran (engineers and managerial-grade employees in the metallurgy industry), the rights attached to a suspended employment contract may include benefits or indemnities provided for under French labor law. Consequently, when the Chief Executive Officer ceases to hold his corporate office and his employment contract resumes:

- On his retirement date, he may be eligible for a retirement bonus. This retirement bonus would be calculated based on (i) his seniority within the Company (taking into account the years during which his employment contract was suspended when he was a corporate officer), and (ii) his annual compensation (based on a reference salary corresponding to the salary he was earning when his employment contract was suspended), adjusted based on a percentage corresponding to the average of the individual salary increases applied at Safran SA during the contract suspension period.
- If the employment contract is terminated by Safran SA, the Chief Executive Officer may be entitled to a termination benefit and a six-month notice period. This termination benefit would be calculated based on (i) his seniority within the Company (taking into account the years during which his employment contract was suspended when he was a corporate officer), and (ii) his compensation (based on a reference salary corresponding to the salary he was earning when his employment contract was suspended), adjusted based on a percentage corresponding to the average of the individual salary increases applied at Safran SA during the contract suspension period.

m) Exceptional circumstances or events

If any significant exceptional circumstances or events occur, i.e., circumstances or events that are out of the ordinary or beyond the Company's control, whose effects are not taken into account or reflected in the original metrics, criteria or benchmarks or those on which the current compensation policy concerning annual variable compensation and long-term incentive allocations is based and which may alter the assessment of the Chief Executive Officer's performance, the Board of Directors may decide, on the recommendation of the Appointments and Compensation Committee, and on an exceptional basis, to adapt and adjust these metrics, criteria or benchmarks, in particular by raising or lowering the performance targets, to take into account the impact of those circumstances or events. However, any caps on this type of compensation expressed in terms of a percentage of the Chief Executive Officer's fixed compensation may not be altered.

In such a case:

- in its assessment of the Chief Executive Officer's actual performance, the Board of Directors will take into account the favorable or unfavorable impact that the exceptional event or circumstance had on the Group's overall performance and the compensation paid to shareholders and the Group's personnel over the period;
- the Board of Directors will ensure that these adjustments (i) are designed to restore, to a reasonable extent, the original balance or objective, as adjusted for the expected impact of the event over the period concerned and (ii) maintain alignment with the Company's interests, strategy and outlook;
- the adjustments and the reasons therefor will be disclosed in a press release.

n) Adaptation of the compensation policy for the Chief Executive Officer in the event of a new Chief Executive Officer being appointed or the duties of an existing Chief Executive Officer ceasing during the year

If a new Chief Executive Officer is appointed or the duties of an existing Chief Executive Officer cease during the course of a year, the above principles will apply on a proportionate basis for the period during which he performs his duties.

In the case of a new appointment, these principles will be applied by taking as the reference point the annual fixed compensation decided by the Board of Directors when the new Chief Executive Officer is appointed.

However, if an appointment takes place during the second half of the year, the assessment of the Chief Executive Officer's performance for the purpose of calculating his annual variable compensation will be carried out by the Board of Directors on a discretionary basis, on the recommendation of the Appointments and Compensation Committee. The rationale underpinning the determination of the performance criteria achievement rate would be disclosed in a press release.

For long-term incentive plans (which take the form of performance share grants), the plan rules provide for the possibility for the Board of Directors to grant exemptions from the continuing service condition. Accordingly, the Board may decide that on the expiration of the Chief Executive Officer's term of office, he may retain all or some of his entitlement to the long-term incentive plan benefits he has accrued, based on terms and conditions set by the Board. The rationale underpinning this decision, as well as the decision about what happens to the vested rights under the plan, would be disclosed in a press release.

o) Adaptation of the policy for Deputy Chief Executive Officers

If the Company appoints any Deputy Chief Executive Officers, the compensation structure, principles and criteria provided for in the compensation policy for the Chief Executive Officer would apply to them. The Board of Directors would then adapt this policy in line with the specific situation of the Deputy Chief Executive Officer concerned in order to set the objectives, performance levels, indicators, and structure of their compensation packages and the maximum that their variable compensation may represent as a proportion of their annual fixed compensation (it being specified that this proportion and the amount of their annual fixed compensation may not be higher than those set for the Chief Executive Officer).

Compensation policy for Directors

a) Principles

Article 17 of the Company's bylaws provides for compensation to be paid to the Directors.

In accordance with the law, the shareholders in a General Meeting set the aggregate annual amount of compensation that may be allocated to the Directors as consideration for their duties (the "Aggregate Compensation"). The Aggregate Compensation is set by way of a resolution proposed to the shareholders. The Aggregate Compensation approved by the shareholders remains unchanged and applies for each successive fiscal year until decided otherwise by way of a new resolution adopted by the shareholders at a General Meeting.

The rules for allocating the Aggregate Compensation under the current Directors' compensation policy (the "Allocation Rules") were set by the Board and submitted to the shareholders for their approval.

The Allocation Rules take into account Directors' actual attendance at meetings of the Board and its Committees, and therefore include a significant variable portion. The amount of compensation paid to each Director must be adapted to their particular level of responsibility as a Director and the time they devote to their directorship duties.

The Aggregate Compensation is allocated between the Directors by the Board, by applying the Allocation Rules.

The individual amounts paid to each Director are set out in the corporate governance report (see section 6.6.4.1 of the 2022 Universal Registration Document).

The Chairman of the Board of Directors and the Chief Executive Officer do not receive any compensation amounts out of the Aggregate Compensation, as stipulated in their compensation policies since 2019 (see sections 6.6.1.2 and 6.6.1.3 of the 2018 Registration Document, sections 6.6.1.3 and 6.6.1.4 of the 2019, 2020 and 2021 Universal Registration Documents and sections 6.6.2.1.c and 6.6.2.2.g of the 2022 Universal Registration Document).

The cases in which the payment of compensation to Directors must be suspended are also set out in the applicable regulations.

b) Allocation Rules

In accordance with the Allocation Rules set by the Board of Directors[1], the Aggregate Compensation is allocated as follows (which may not necessarily represent the full amount of the Aggregate Compensation):

- The representative of the French State appointed pursuant to Article 4 of *ordonnance* 2014-948 dated August 20, 2014 and the Director(s) appointed pursuant to Article 6 of said *ordonnance* do not directly receive Directors' compensation when they act in the capacity of public agents. Instead, their portion of the Aggregate Compensation is paid directly by the Company to the French Treasury. For compensation allocated to Directors appointed pursuant to Article 6 of said *ordonnance* who are not public agents, the same applies to any amount that exceeds the cap set in the ministerial decree of December 18, 2014 implementing section V of Article 6 of said *ordonnance*.
- Irrespective of whether or not the role of Chairman of the Board of Directors is separate from that of Chief Executive Officer, the Chairman and the Chief Executive Officer (if he is a Director) are not entitled to Directors' compensation and are not included in the allocation of compensation carried out by the Board in accordance with the Allocation Rules.

(1) Rules set on February 26, 2018 and applicable as from 2018.

- For membership of the Board of Directors:
  Annual fixed compensation:
  - Each Director (excluding the Chairman and the Chief Executive Officer if either is a Director) and any Board Advisors (*censeurs*) is entitled to annual fixed compensation whose amount is set by the Board of Directors.
  - If a new Director is appointed (or elected) during a given year, or if a directorship ceases during a given year, this annual fixed compensation is calculated proportionately based on the number of Board meetings held during the year.

  Variable compensation per Board meeting:
  - Each Director (excluding the Chairman and the Chief Executive Officer if either is a Director) and any Board Advisors (*censeurs*) is entitled to variable compensation for each Board meeting he or she attends, the amount of which is set by the Board of Directors.
- For membership of the Board Committees:
  Variable compensation per Committee meeting:
  - Each Director (including the Chair(s) of temporary committees, but excluding the Chairman and the Chief Executive Officer if either is a Director) is entitled to variable compensation for each meeting he or she attends of any Committee(s) of which he or she is a member (or each meeting of any temporary committee that he or she chairs). The amount of this variable compensation is set by the Board of Directors.
  - Each Chair of a standing Board committee (excluding, where applicable, the Chairman and the Chief Executive Officer if either is a Director) is entitled to a higher amount of variable compensation for each standing Committee meeting that he or she chairs. The amount of this variable compensation is set by the Board of Directors.
- Additional compensation for geographical distance:
  - Directors residing outside Metropolitan France are entitled to an additional amount of variable compensation per Board and Committee meeting that he or she physically attends. The amount of this additional variable compensation is set by the Board of Directors.
- Cap and potential adjustment:
  - A maximum annual gross amount of Directors' compensation is set per Director by the Board of Directors. If the application of the Allocation Rules leads to an individual annual gross amount of Directors' compensation exceeding this cap, the individual allocation of the Director(s) concerned will be reduced to this cap, before any adjustment is made.
  - If the application of the Allocation Rules leads to a total amount of compensation to be allocated that is higher than the Aggregate Compensation set by the shareholders, said total amount will be decreased by reducing, on an equal proportionate basis, each individual allocation (rounded down to the nearest euro where necessary), such that the total amount allocated is equal to the Aggregate Compensation.
- Each year, the Board of Directors places on record the overall and individual allocation of the Directors' compensation resulting from the application of the Allocation Rules. Where appropriate, the Board may decide to allocate any residual unallocated amount corresponding to the difference between the Aggregate Compensation set by the shareholders and the total allocated amount resulting from the application of the Allocation Rules.

c) Reimbursement of expenses

Each member of the Board of Directors is entitled to be reimbursed for travel expenses incurred in connection with their directorship, subject to providing the appropriate receipts.

d) Specific or one-off assignments

Directors may be allocated additional compensation if they carry out specific assignments, such as, by way of illustration, those performed by the Vice-Chair or the Lead Independent Director. In such a case, the Board may decide to set specific amounts for this purpose that will be taken into account when applying the Allocation Rules for the Aggregate Compensation.

Directors may also be paid additional compensation for any one-off assignments they may carry out, in which case the payment of this additional compensation will be subject to the procedure applicable to related-party agreements.

e) Additional information

For information purposes, it is hereby disclosed that:

- The amount of the Aggregate Compensation to be allocated among the Directors, as approved by the shareholders at the May 25, 2022 Annual General Meeting, is €1,300,000.
- The total amount of the allocations made to each Director may not exceed the maximum authorized amount of the Aggregate Compensation in effect, as set by the shareholders at the Annual General Meeting.
- The amounts of fixed and variable compensation payable per meeting under the Allocation Rules set by the Board of Directors has been increased by 5% for 2023. The increase is consistent with the salary increases introduced for Safran Group senior executives in France on January 1, 2023 and with the average amount allocated to directors of other CAC 40 companies. The cap for each Director remains unchanged.

Amounts set for the purpose of applying the Allocation Rules:	As from 2023 and for all subsequent years, unless otherwise decided by the Board (in €)
Annual fixed compensation per Director (full-year basis) (excluding the Chairman and the Chief Executive Officer)	11,550
For attendance at Board meetings:	
■ Variable compensation per Board meeting for the Directors (no Directors' compensation for the Chairman and the Chief Executive Officer)	5,250
For attendance at meetings of the standing Board Committees and special temporary committees:	
■ Variable compensation per meeting for the Chairs of the standing Committees	9,450
■ Variable compensation per meeting for Committee members (including for the Chairs of special temporary committees)	5,250
Additional compensation for geographical distance, based on physical attendance per Board and Committee meeting	
■ Cross-Atlantic travel or equivalent	+3,675
■ Travel from a European country	+1,315
Annual cap on individual Directors' compensation paid out of the Aggregate Compensation	130,000
Annual cap on the Aggregate Compensation* approved at the AGM for all the Directors	1,300,000

- If there are any major changes in the membership structure and work of the Board or the Board Committees or if their Chair changes during a given year, or if any significant exceptional circumstances or events occur, the Board may adjust these amounts accordingly, provided the weighting of the variable portion of Directors' compensation still represents the majority of the individual amounts allocated. In all circumstances, any such adjustments may not result in the total final allocation exceeding the amount of the Aggregate Compensation in effect at the time the adjustment(s) are made.

The table summarizing the Directors' compensation paid or payable to members of the Board of Directors for 2021 and 2022 is provided in section 6.6.4.1 of the 2022 Universal Registration Document.

SUMMARY TABLES SHOWING THE INDIVIDUAL COMPENSATION AND BENEFITS OF THE CORPORATE OFFICERS – 2022

Summary tables showing the individual compensation and benefits of the Chairman of the Board of Directors

The summary table based on the AMF/AFEP-MEDEF table no. 3 template is presented in section 6.6.4.1, "Compensation paid during or awarded for 2022 to the members of the Board of Directors" of the 2022 Universal Registration Document.

SUMMARY TABLE OF COMPENSATION, STOCK OPTIONS AND PERFORMANCE SHARES GRANTED TO THE CHAIRMAN OF THE BOARD OF DIRECTORS (AMF/AFEP-MEDEF TABLE NO. 1)

Summary of compensation, stock options and performance shares granted	2021	2022
Compensation allocated for the year (detailed in the table below)	€455,713.46	€494,894.36[(1)]
Value of multi-year variable compensation allocated during the year	N/A	N/A
Value of stock options granted during the year	N/A	N/A
Value of performance shares granted during the year	N/A	N/A
TOTAL	**€455,713.46**	**€494,894.36**

(1) *Including €39,015 corresponding to the Additional Payment under the Article 82 defined contribution plan (see section 6.6.3.1.d of the 2022 Universal Registration Document).*

SUMMARY TABLE OF THE INDIVIDUAL COMPENSATION AND BENEFITS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS (AMF/AFEP-MEDEF TABLE NO. 2)

	2021		2022	
Summary of compensation *(gross)*	Amounts awarded for the year	Amounts paid during the year	Amounts awarded for the year	Amounts paid during the year
Fixed compensation	€450,000	€450,000	€450,000	€450,000
Annual variable compensation	N/A	N/A	N/A	N/A
Multi-year variable compensation	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Directors' compensation	N/A	N/A	N/A	N/A
Benefits-in-kind[(1)]	€5,713.46	€5,713.46	€5,879.36	€5,879.36
Additional Payment provided for under a defined contribution supplementary pension plan[(2)]	0	0	€39,015	€39,015
Other	N/A	N/A	N/A	N/A
TOTAL	**€455,713.46**	**€455,713.46**	**€494,894.36**	**€494,894.36**

(1) *Company car.*

(2) *Corresponding to the Additional Payment under the Article 82 defined contribution plan, enabling payment of the tax due under this plan, which is taxed up front (see section 6.6.3.1.d of the 2022 Universal Registration Document). As provided for in the Activity Transformation Agreement (see section 5.4.2.2 of the 2021 Universal Registration Document), employer contributions to the Group's defined contribution supplementary pension plans (including the Article 82 Plan) were frozen for 2021. Consequently, no contributions were paid to those plans for the Chairman for 2021. These payments were reactivated for 2022 for all beneficiaries, including the Chairman.*

Summary tables showing the individual compensation and benefits of the Chief Executive Officer

SUMMARY TABLE OF COMPENSATION, STOCK OPTIONS AND PERFORMANCE SHARES GRANTED TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 1)

Summary of compensation, stock options and performance shares granted	2021	2022
Compensation allocated for the year	€1,824,100.61	€2,032,135.71(2)
Value of multi-year variable compensation allocated during the year	N/A	N/A
Value of stock options granted during the year	N/A	N/A
Value of performance shares granted during the year(1)	€959,963.76	€959,947.98
TOTAL	**€2,784,064.37**	**€2,992,083.69**

(1) The value of the performance shares is estimated at the grant date in accordance with IFRS 2 (see section 3.1, Note 3.r of the 2022 Universal Registration Document) and does not correspond to compensation received by the beneficiary during the year.
(2) Including €135,373.56 corresponding to the Additional Payment under the Article 82 defined contribution plan (see section 6.6.3.2.f of the 2022 Universal Registration Document).

SUMMARY TABLE OF THE COMPENSATION OF THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 2)

	2021		2022	
Summary of compensation *(gross)*	Amounts awarded for the year	Amounts paid during the year	Amounts awarded for the year	Amounts paid during the year
Fixed compensation	€800,000	€800,000	€800,000	€800,000
Annual variable compensation	€1,002,222	€263,004(1)	€1,072,671	€1,002,222
Multi-year variable compensation	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Directors' compensation	N/A	N/A	N/A	N/A
Benefits-in-kind(2)	€21,878.61	€21,878.61	€24,091.15	€24,091.15
Additional Payment provided for under a defined contribution supplementary pension plan(3)	0	0	€135,373.56	€135,373.56
TOTAL	**€1,824,100.61**	**€1,084,882.61**	**€2,032,135.71**	**€1,961,686.71**

(1) Variable compensation for 2020 under his employment contract with Safran prior to his appointment as Chief Executive Officer on January 1, 2021.
(2) Company car and specific travel expenses.
(3) Corresponding to the Additional Payment under the Article 82 defined contribution plan, enabling payment of the tax due under this plan, which is taxed up front (see section 6.6.3.2.f of the 2022 Universal Registration Document). As provided for in the Activity Transformation Agreement (see section 5.4.2.2 of the 2021 Universal Registration Document), employer contributions to the Group's defined contribution supplementary pension plans (including the Article 82 Plan) were frozen for 2021. Consequently no contributions were paid to those plans for the Chief Executive Officer for 2021. These payments were reactivated for 2022 for all beneficiaries, including the Chief Executive Officer.

SUMMARY TABLE OF PERFORMANCE SHARES GRANTED DURING 2022 TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 6)

	Plan date	Number of shares granted	Value of shares	Vesting date	End of lock-up period	Performance conditions
Olivier Andriès	Board meeting of March 24, 2022	14,334	€959,947.98	March 24, 2025	March 28, 2026	All the shares are subject to the performance conditions described in section 6.6.5.2.1 of the 2022 Universal Registration Document.

PERFORMANCE SHARES GRANTED TO THE CHIEF EXECUTIVE OFFICER AND WHICH WERE DELIVERED DURING 2022 (AMF/AFEP-MEDEF TABLE NO. 7)

	Plan date	Total number of shares delivered
Olivier Andriès	Board meeting of July 24, 2018	5,498(1) For the determination of the achievement rate of the 2018 Long-Term Incentive Plan, see section 6.6.4.3 of the 2020 Universal Registration Document.

(1) Granted to Olivier Andriès, in his capacity as a salaried employee and member of the Executive Committee, prior to his appointment as Chief Executive Officer.

PERFORMANCE SHARES DELIVERED TO THE CHIEF EXECUTIVE OFFICER SINCE JANUARY 1, 2023

	Plan date	Total number of shares delivered
Olivier Andriès	Board meeting of March 27, 2019	1,007[1] The conditions (lowest achievement level, target achievement level, highest achievement level) of the 2019 Long-Term Incentive Plan are presented in section 6.6.4.2 of the 2019 Universal Registration Document. The overall achievement rate for the Plan's performance conditions for the Chief Executive Officer and the members of the Executive Committee was 17.08%[2].

(1) Granted to Olivier Andriès, in his capacity as a salaried employee and member of the Executive Committee, prior to his appointment as Chief Executive Officer.

(2) The achievement levels for the performance conditions for the various categories of beneficiaries are detailed in section 6.6.4.2.4 of the 2021 Universal Registration Document.

SUMMARY TABLE OF PERFORMANCE SHARES GRANTED TO THE CHIEF EXECUTIVE OFFICER (STILL IN VESTING PERIOD AT DECEMBER 31, 2022) (AMF/AFEP-MEDEF TABLE NO. 10)

Grantee	Plan date	Total number of shares granted (currently in the vesting period)
Olivier Andriès	Board meeting of March 26, 2020	5,900[1]
	Board meeting of March 24, 2021	14,466
	Board meeting of March 24, 2022	14,334
TOTAL		**34,700**

(1) Granted to Olivier Andriès before he was appointed as Chief Executive Officer. As indicated in section 6.6.5.2.4 of the 2022 Universal Registration Document, at its meeting of March 23, 2023, the Board of Directors noted that the performance conditions attached to the 2020 Long-Term Incentive Plan had not been met. No shares will be delivered to the beneficiaries under this plan, including the Chief Executive Officer.

SUMMARY TABLE OF STOCK OPTIONS GRANTED IN 2022 TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 4)

None

SUMMARY TABLE OF STOCK OPTIONS EXERCISED IN 2022 BY THE CHIEF EXECUTIVE OFFICER

None

SUMMARY TABLE OF EMPLOYMENT CONTRACTS, SUPPLEMENTARY PENSION PLANS AND TERMINATION BENEFITS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE NO. 11)

Name	Position	Employment contract	Supplementary pension plan	Indemnities or benefits payable for termination of office, change in duties, or non-compete agreements
Ross McInnes	Chairman of the Board of Directors	No[1]	Yes[3]	No[4]
Olivier Andriès	Chief Executive Officer	Yes, suspended[2]	Yes[3]	No[4]

(1) Employment contract suspended from April 21, 2011 until May 23, 2019 and terminated on May 23, 2019, when the Chairman's term of office was renewed (see section 6.6.2.1.i of the 2022 Universal Registration Document).

(2) Employment contract suspended since January 1, 2021, the date on which he took up office as Chief Executive Officer (see sections 6.6.2.2.l and 6.4 of the 2022 Universal Registration Document).

(3) No specific pension plans have been set up for the Chairman of the Board of Directors or the Chief Executive Officer. The Chairman and the Chief Executive Officer are beneficiaries under the Article 82 and PERO (former Article 83) defined contribution supplementary pension plans set up for the Group's managerial-grade staff, subject to the same terms and conditions as the other plan beneficiaries. They remain potential beneficiaries of the defined benefit supplementary pension plan (Article 39 plan) which has now been closed and whose benefit entitlements were frozen at December 31, 2016 (see sections 6.6.2.1.g and 6.6.2.2.i of the 2022 Universal Registration Document).

(4) See sections 6.6.2.1.j, 6.6.2.2.k and 6.6.2.2.l of the 2022 Universal Registration Document.

Group profile

PPS®5000 plasma thrusters designed for geostationary satellite orbiting and station keeping

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

"Amid the recovery in air traffic, Safran is well positioned to leverage its advanced capabilities and robust business model to pursue its growth. Fully aware of the strategic importance of the climate challenge, the Board of Directors is working to ensure the Group stands at the forefront of sustainable aviation."

ROSS McINNES

Chairman of the Board of Directors

Safran delivered a remarkable economic performance in 2022, posting solid revenue and profit growth and generating cash flow that exceeded our expectations.

The year was marked by a challenging operating environment – the war in Ukraine, surging inflation, rising energy prices in Europe and supply chain capacity difficulties – and **the strong results achieved demonstrate the resilience of Safran's business model and its strong financial position.**

Based on the 2022 performance and as announced, **Safran is returning to a 40% dividend payout ratio and is proposing a dividend of €1.35 per share for 2022,** which will be submitted for your approval at the Annual General Meeting on May 25, 2023.

After the demand-side shock caused by the Covid-19 crisis, we are now seeing a supply-side shock. While we expect industry-wide challenges to continue near-term, **2023 is set to be a strong year for customer demand.** We expect continuing positive trends in global air traffic, with China reopening gradually. Air traffic in the short- and medium-haul segment should return to its 2019 level during 2023, a good catalyst for our aftermarket businesses, in both civil engines and equipment.

To ensure customer satisfaction, **our main challenge will be to ramp up production** – especially for the LEAP engine – in a context of ongoing supply chain constraints.

The climate crisis and increasing geopolitical tensions have revealed the world's vulnerability. The aviation sector is at the heart of these issues. Today, we are at a turning point in our history, facing unprecedented challenges.

"Our dedicated workforce and unwavering focus on operational excellence, serving the strategic priorities of low-carbon aviation and sovereignty, give us every confidence in our ability to fulfill our financial trajectory by 2025."

OLIVIER ANDRIÈS

Chief Executive Officer

This is a pivotal time for Safran, a Group that has always been focused on the transformation of its sector. Today, **Safran, aware of its responsibilities, is once again assuming its role as a world leader at the forefront of technological disruption,** developing **solutions that will pave the way for carbon-free aviation:** ultra-efficient propulsions systems to reduce aircraft fuel consumption, sustainable fuels, electrification and lower-emission operations.

The future of air transport will also depend on its ability to attract travelers, through constantly **reinventing and enhancing a safer and more comfortable in-flight experience.** Thanks to their expertise in all areas of the aviation sector, and driven by operational excellence and digital transformation, Safran's teams are supporting all the Group's customers through an unrivaled capacity for innovation.

To pave the way for a less uncertain future, it is critical to **protect citizens through defense solutions** that effectively equip the armed forces to prevent danger and ensure geopolitical stability. **Another** essential challenge is to **ensure European space sovereignty.**

With our diverse and talented employees throughout the world, united by an unparalleled team spirit, a passion for overcoming obstacles and a desire to write a new chapter in the history of aviation, we can sustainably change aviation and build the world of tomorrow.

MAIN ACTIVITIES

Safran: a comprehensive offering

Present across the whole aircraft, Safran aims to build the future of the global aerospace sector and be the preferred partner of airframers and airlines.

(1) *A fully-fledged engine manufacturer is present in all engine components and all propulsion market segments.*

(2) *Supplier Furnished Equipment: equipment specified and purchased by the airframer.*

(3) *Buyer Furnished Equipment: equipment specified and purchased by the airline.*

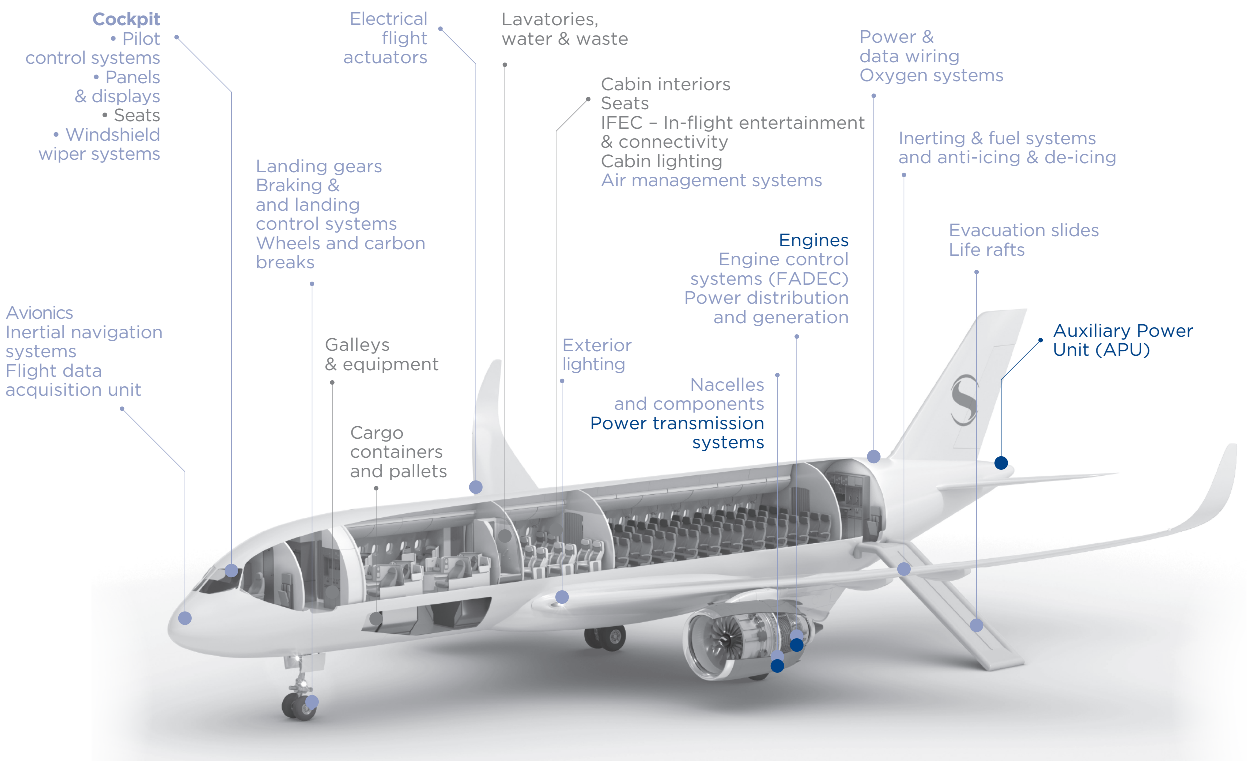
Safran products are designed to ensure flight safety. They have common features that contribute to the resilience of its business model: its position as a tier-one supplier to airframers and airlines, high technology content and leadership positions in its main business segments.

A fully-fledged engine manufacturer(1), Safran supplies airframers with engines for commercial aircraft, military aircraft, regional transport aircraft, business jets and helicopters. To increase cost efficiency and share risks, engine manufacturers often develop their engine programs in partnership. Safran has primarily partnered with GE since the 1970s, when they set up the 50-50 joint venture CFM International that develops the CFM56® and LEAP® engines. The partnership has been extended through to 2050. Safran also contributes to access to space through its 50% stake in the ArianeGroup joint venture, the prime contractor for the Ariane 5 and Ariane 6 launchers.

Safran supplies a wide range of **aircraft equipment** including landing and braking systems, nacelles and related electrical systems and engineering solutions. **Aerosystems:** Safran is one of the world's leading players in aerosystems, supplying equipment that provides essential aircraft functions and aircraft safety: safety systems (evacuation slides, oxygen masks, etc.); cockpit systems; and fluid management systems (fuel, pneumatic and hydraulic circuits).

Defense: In addition to the above-described engines, Safran provides solutions and services in optronics, avionics, navigation systems, tactical drones, electronics and critical software for civil and defense markets.

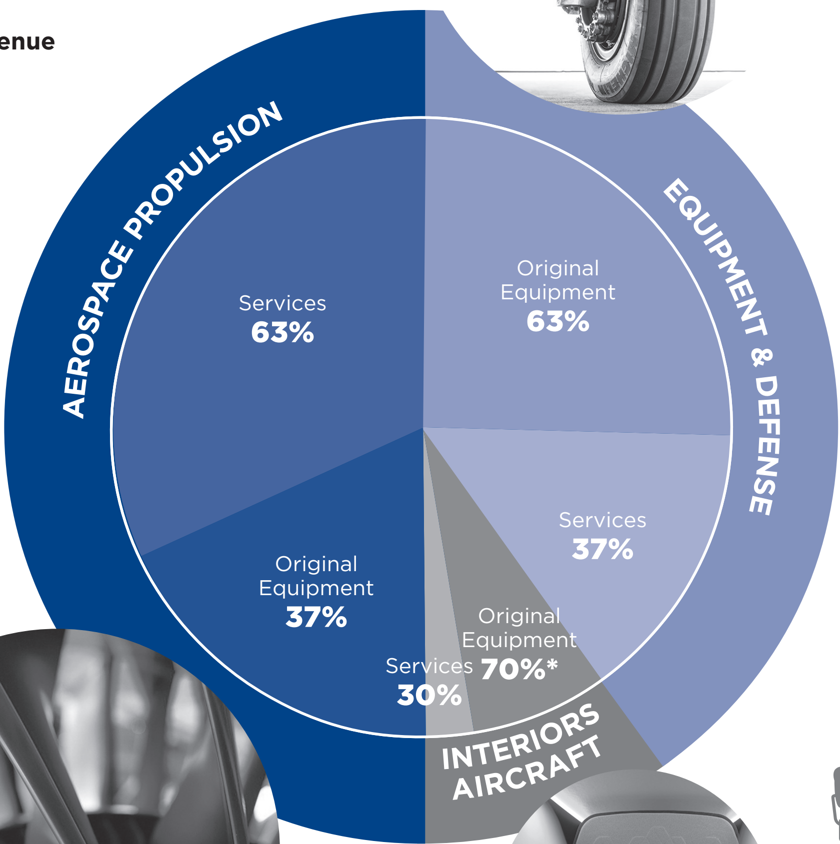
To ensure passenger safety and optimize comfort, Safran develops cabin interiors (overhead bins, lavatories, galley and catering equipment, etc.), passenger and crew seats, water and waste management systems, in-flight entertainment systems (RAVE™), and interior retrofit for commercial aircraft. The aircraft interiors business addresses both airframers (under the SFE(2) model) and airlines (BFE(3) model).

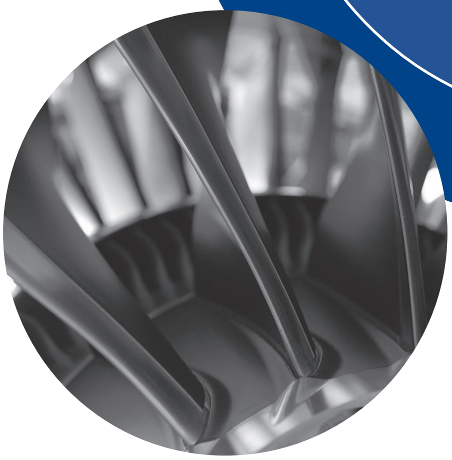


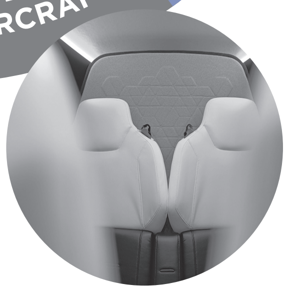
Leadership positions in its main business segments

(source: Safran)

Breakdown of 2022 revenue by segment (adjusted)







Equipment & Defense

40%

€7.5 BILLION

39,637
EMPLOYEES

No. 1 worldwide

- landing gear
- wheels and carbon brakes for 100+ seater civil aircraft
- electrical wiring
- evacuation slides

No. 2 worldwide

- oxygen systems
- nacelles and power transmission systems

No. 1 in Europe

- navigation and optronics

Aircraft Interiors

10%

€2.0 BILLION

15,171
EMPLOYEES

No. 1 worldwide

in cabin interiors (mainly SFE)

No. 2 worldwide

in seats (BFE), with a strong presence in Business Class seats

Aerospace Propulsion

50%

€9.5 BILLION

25,260
EMPLOYEES

No. 1 worldwide

in engines powering single-aisle mainline commercial jets (through CFM, a joint venture with GE)

No. 1 worldwide

in helicopter turbine engines

Strong positions

in European military programs (combat and transport)

Civil aviation 73%

Military aviation 14%

Civil and military helicopter turbines 13%

* *Including retrofit activities.*

BUSINESS MODEL

TRENDS

Air transportation recovery and growth

Decarbonization of aeronautics

Defense/ sovereignty global dynamic

Our strengths

The Group's strategy is rooted in its key customer-oriented strengths:

A BALANCED BUSINESS PORTFOLIO

- **50%** AEROSPACE PROPULSION
- **40%** EQUIPMENT & DEFENSE
- **10%** AIRCRAFT INTERIORS

CLOSELY TAILORED, DIFFERENTIATING SOLUTIONS

A RESILIENT BUSINESS MODEL

A SOLID FINANCIAL POSITION

COMMITTED AND TALENTED EMPLOYEES

Our strategy

In line with the four pillars of its CSR strategy, Safran has stepped up its efforts in two areas (decarbonizing its products and operations and strengthening its role in sovereignty businesses), leveraging the major assets at the heart of its DNA.

CSR PILLARS

- Decarbonize aeronautics
- Be an exemplary employer
- Embody responsible industry
- Affirm our commitment to citizenship

Driving innovation for sustainable growth for our customers

MAJOR ASSETS

- Step up sustainable innovation
- Strengthen operational excellence by leveraging digital technology

Our contribution to the UN SDGs

STRATEGIC FOCUSES

NO. 1

DECARBONIZE ITS PRODUCTS AND OPERATIONS

NO. 2

STRENGTHEN ITS ROLE IN SOVEREIGNTY BUSINESSES

Ensure flight, customer, employee and product employee safety

Our value creation
for our stakeholders

CUSTOMERS
- **€19.0 billion** *(2022 adjusted revenue)*
- Safe, reliable, available, efficient, innovative and competitive products and services

EMPLOYEES
- **€5.8 billion** *(2022 personnel costs)*
- Attractive working conditions and social model

SUPPLIERS
- **€11.7 billion** *(2022 purchases)*
- Sustainable Procurement and Supplier Relations Label

SHAREHOLDERS
- TSR 2005-2022: **+12.7%** per year
- 2022 dividend *(paid in 2023)*: **€1.35**/share*

DEBT HOLDERS
- One of the best industry financial signatures worldwide
- Long-term credit rating: **A-** with stable outlook (S&P)

GOVERNMENTS
- **€0.8 billion** *(2022 taxes and adjusted income tax expense)*
- The world's best technology serving national and European sovereignty and French nuclear dissuasion

INVESTMENTS FOR FUTURE GROWTH
- **5%** of revenue invested in self-funded R&D in 2022
- **81%** of R&T investment focused on environmental efficiency

* *Subject to shareholder approval at the Annual General Meeting of May 25, 2023.*

CSR STRATEGY (INCLUDING THE CLIMATE STRATEGY)

Engage for the Future, a CSR[1] strategy rooted in a collectively defined ambition

Sponsored at the highest level of the Company, Engage for the Future is an integral part of the Group's strategy. Through its objectives and commitments and the related actions, Safran contributes to 13 of the 17 United Nations Sustainable Development Goals (SDGs). Progress on the deployment of the CSR roadmap and objectives across all companies and departments is monitored by the Group.

Close attention to stakeholder expectations

Safran takes its stakeholders' expectations, particularly regarding exemplary governance, into account in constructing, deploying and improving its CSR strategy. Listening to stakeholders is key to ensuring sustainable growth and long-term value creation.

BUSINESS COMMUNITY

Customers (airframers, airlines, etc.)
Suppliers and subcontractors
Partners (industrial companies, research laboratories, etc.)

Main expectations
- Customers: safe, reliable, available, efficient and innovative products and services, plus CSR commitments made across all the Group's businesses.
- Suppliers and subcontractors: relationships rooted in trust, shared long-term vision, and the fulfillment of reciprocal commitments, including CSR commitments.
- Partners: pursuit of continuous innovation and protection of their intellectual property.

PUBLIC PARTNERS

Government bodies and local authorities, European and international bodies and certification authorities

Main expectations
- Ethical business conduct, social commitments both within and outside the Company.
- Safe products that comply with standards.
- Contribution to implementation of the European Green Pact in the aviation sector, and to the carbon neutrality goal of the International Civil Aviation Organization (ICAO), through the development of innovative technologies.

EMPLOYEES AND EMPLOYEE REPRESENTATIVES

Main expectations
- Rewarding career paths, with regular skills development.
- Consideration given to the impact of rising inflation on employees' living conditions.
- Strong focus on quality of life at work, including working conditions and health and safety.
- Strong commitment to decarbonizing the aviation sector.
- Compliance with national and international labor conventions.

CIVIL SOCIETY

Academia, local community, associations and non-governmental organizations (NGOs)

Main expectations
- Training for young people and exchanges between academic and business worlds to promote aerospace industry professions.
- Interactions between companies and academia on the energy transition.
- Consideration of environmental, social and societal challenges in the Group's strategy and throughout the value chain.

FINANCIAL COMMUNITY

Institutional investors, individual shareholders and employee shareholders, financial analysts and financial rating agencies

Main expectations
- Attractive shareholder value creation.
- Transparency in the management of the Company, compliance with our financial and non-financial commitments, the long-term strategy and its implementation, and consideration of CSR criteria.

(1) *Corporate social responsibility.*

No. 1

DECARBONIZE AERONAUTICS

Be recognized as a leader in the decarbonization of the aviation sector

1. Make carbon neutral aircraft the R&T priority
2. Reduce CO_2 emissions throughout our value chain
3. Involve employees in the reduction of their carbon footprint

No. 2

BE AN EXEMPLARY EMPLOYER

Be considered as an employer of choice by our employees and the talents of the sector

4. Accelerate training in the skills and professions of tomorrow
5. Ensure health and safety of employees, improve the quality of life at work and maintain a thriving social dialogue
6. Encourage equal opportunities and promote diversity

No. 3

EMBODY RESPONSIBLE INDUSTRY

Be the benchmark in our production methods and throughout our value chain

7. Uphold the highest standards of ethics
8. Strengthen responsible practices throughout the supply chain, and support our suppliers
9. Respect the environment and natural resources

No. 4

AFFIRM OUR COMMITMENT TO CITIZENSHIP

Get involved with our local communities and contribute to their development

10. Be at the forefront of innovation to protect citizens
11. Develop partnerships for training and research
12. Enhance professional and social integration

2022 HIGHLIGHTS

- **Safran's climate objectives validated by the Science-Based Targets initiative (SBTi)** as compatible with the Paris Agreement
- Organization of the **Safran Supplier CO_2 Day**, where the Group shared its climate strategy and ambitions with the 400 suppliers contributing the most to its supply chain carbon footprint
- **Ongoing rollout of Safran's operating roadmaps** to reduce CO_2 emissions from its operations

- **SRI certification** for the Group employee savings plan and the collective retirement savings plan in France
- Launch of the **Digital Academy** for all employees
- **First edition of the Group-wide Inclusion Barometer**
- **New Diversity and Inclusion roadmap**
- **Health, safety and environment leadership training** for Group executives

- New training modules in **aviation safety** and **anticorruption**
- **Group human rights risk mapping**
- **Reinforcement of ESG criteria** in the supplier selection evaluation matrix
- **Best Business Practice Award at the EcoBalance 2022 International Conference**, for the quality of the ecodesign approach

- **Number one French applicant for European patents**
- **Leading employer of PhD students** through industrial training-through-research agreements (CIFRE) in France
- New program to **support startups in hydrogen-related technologies**
- **Recruitment** of interns, work-study students, apprentices and young graduates **in Europe stepped up**, with 6,753 hires
- **Safran Foundation for Integration:** nearly €630,000 in donations to 39 non-profits
- **Creation of a Philanthropy Department** bringing together Group Foundations and sponsorship and skills sponsorship programs

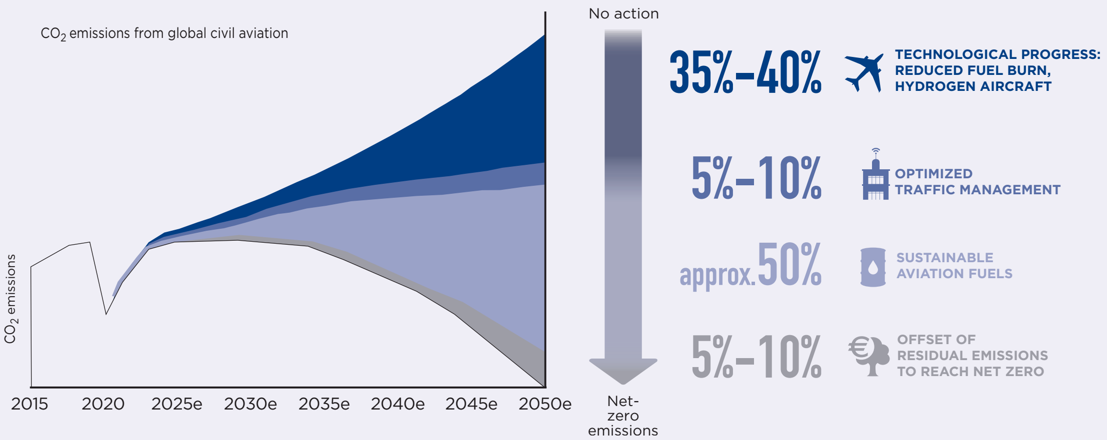
FOCUS ON THE CLIMATE STRATEGY

For more information on Safran's climate strategy, please see section 5.3 of the 2022 Universal Registration Document.

No.1 Decarbonize its products and operations

Safran's climate change strategy is aligned with the aviation sector's roadmap to reach net-zero emissions by 2050, as adopted by the International Civil Aviation Organization (ICAO) in 2022. With its position in most aircraft system segments, and all energy systems in particular, the Group spearheads the technological response to the decarbonization of the aviation sector.

An ambitious commitment for the aviation sector



Civil aircraft in operation accounted for 2.5% of total CO_2 emissions from human activities in 2019(1), plus additional climate change impacts from emissions other than CO_2(2). Because of the significant expansion expected in air transport in the long term, the necessary transition to sustainable aviation is an absolute priority for Safran.

CLIMATE CHANGE: RISKS AND OPPORTUNITIES

The transition to low-carbon aviation calls for **innovation in more efficient, more lightweight products**, which presents opportunities for Safran.

Climate change poses two types of risk for Safran's businesses:

- **physical risks** concerning the impact of weather and climate phenomena on the Group's business; and
- **transition risks** resulting from decarbonization trends in the economy and the aviation sector.

LOW-CARBON AVIATION BY 2035, TOWARDS NET-ZERO EMISSIONS BY 2050

In October 2022, all world governments, through the ICAO, took up the **objective of net-zero carbon emissions by 2050** for the aviation industry. Ambitious and feasible, the new commitment seeks to associate the industry in worldwide efforts to comply with the Paris Agreement and limit mean surface temperature warming to below 2°C, and preferably 1.5°C, by the end of the century. Global adoption of the objective will mobilize engagement across all public and private players, whose collective commitment is essential to the success of the sector's decarbonization endeavor.

GOVERNANCE ADAPTED TO CHALLENGES

Since 2021, the Innovation, Technology & Climate Committee has been responsible for overseeing Safran's climate change strategy and action plan. The Committee's Chairman, Patrick Pélata, was also appointed as the Director responsible for monitoring climate issues, and presented the Group's climate strategy at the 2022 Annual General Meeting.

(1) Data from the International Energy Agency (IAE), the International Council on Clean Transportation (ICCT), including global emissions relating to land-use changes.

(2) These effects concern NOx and particulate emissions in particular, as well as contrails.

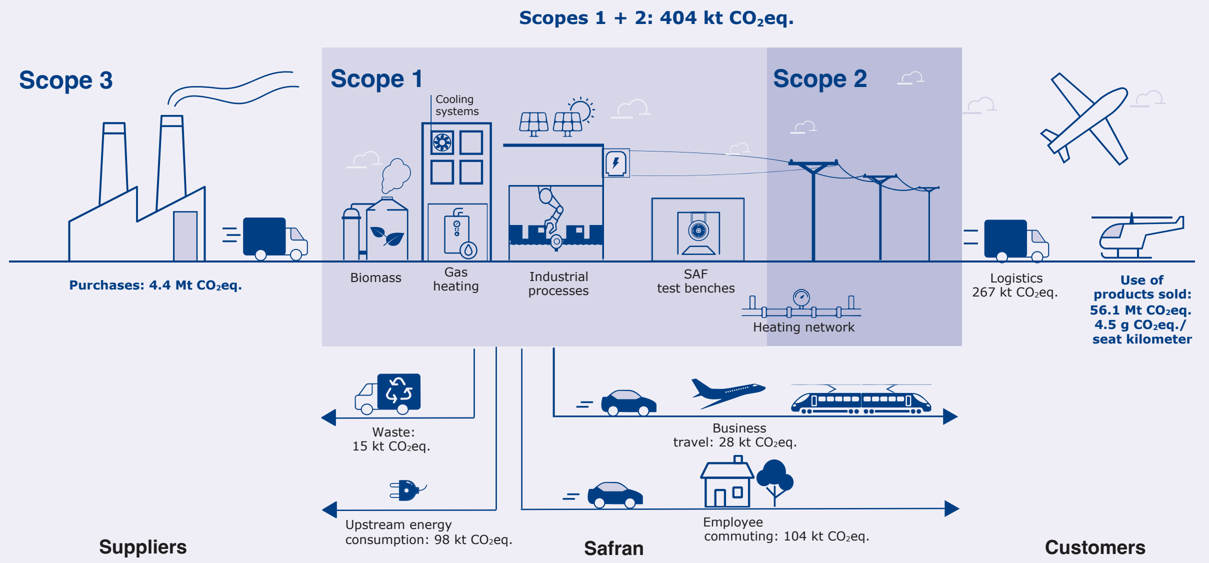
Safran's climate strategy

Safran intends to lead the way in the decarbonization of the aviation sector, through a climate strategy with two focuses:

- reducing emissions from operations, including upstream supplier operations;
- reducing emissions from the use of its products.

Use of Safran products preponderant in the overall carbon footprint

(2022 data)



DECARBONIZATION OBJECTIVES ALIGNED WITH THE PARIS AGREEMENT

In January 2023, the Science-Based Targets initiative (SBTi) validated Safran's greenhouse gas emissions reduction targets.
Safran is one of the first aerospace companies in the world to obtain SBTi validation, certifying that its **greenhouse gas emission reduction targets are compatible with meeting the objectives of the Paris Agreement**.

Its greenhouse gas emissions reduction targets, validated by the SBTi, cover direct (Scope 1) and indirect (Scope 2) emissions from the energy consumption of the Group's operations, as well as emissions related to the use of its products (Scope 3).

		GREENHOUSE GAS EMISSIONS TARGETS	2018 DATA (reference year), in kt CO_2eq.[(1)]
VALIDATED BY THE SBTI	Scopes 1 & 2*	**30% reduction by 2025 and 50.4% reduction by 2030 vs. 2018**, in line with a 1.5°C scenario	579
VALIDATED BY THE SBTI	Scope 3** Use of products sold	**42.5%** reduction in Scope 3 emissions from product use per seat kilometer **by 2035 vs. 2018***** 75% of R&T focused on the environmental performance of products	113,800 5.9 g CO_2/ seat kilometer
	Scope 3** Purchases of goods and services	Mobilize our **400** main suppliers on meeting the commitments under the Paris Agreement (emissions trajectory compatible with keeping global warming below 2°C, or even 1.5°C)	4,961
	Scope 3** Business travel and employee commuting	**50% reduction by 2030 vs. 2018**, in line with a 1.5°C scenario	187

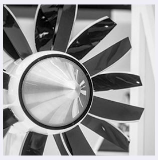
* *Direct (Scope 1) and indirect (Scope 2) emissions related to energy consumption from Safran's operations.*
** *Indirect emissions.*
*** *The target covers both emissions directly related to product use and emissions indirectly related to product use.*

(1) *Audited data. See sections 5.3.3.2, 5.3.3.3 and 5.3.3.4 of the Universal Registration Document.*

DECARBONIZING ITS PRODUCTS

Safran considers that its primary challenge is to reduce CO_2 emissions arising from the use of its products (referred to as Scope 3 indirect emissions in the GHG Protocol[(1)]). For that reason, the Group dedicated 81% of its R&T efforts in 2022 to improving the environmental performance of its products.

INNOVATION FOCUSED ON DECARBONIZING AVIATION

	TECHNOLOGY ROADMAP	ACHIEVEMENTS IN 2022
1 Future ultra-efficient short- and medium-haul aircraft for 2035 	**Ultra-efficient propulsion** (20% more efficient than the LEAP engine)	Agreement with Airbus on flight demonstration for **CFM's open fan engine architecture**
	Aircraft electrification	Electric drive system for nose landing gear
	Lightweight design (additive manufacturing, new materials, etc.)	Inauguration of SAMC **Additive Manufacturing** Campus
2 Extensive use of sustainable fuels (SAF)[(2)] 	Future **engines compatible with 100% drop-in[(3)] SAF** (biofuels, synthetic fuels)	Ongoing flight testing with **100% sustainable fuels** Investment in Ineratec Chairmanship of the Aviation Chamber of the **European Renewable and Low-Carbon Fuels Value Chain Industrial Alliance**
	Work on the **hydrogen propulsion chain**	Agreement with Airbus on in-flight demonstration of a **hydrogen engine on an A380**
3 Electric/hybrid propulsion for short-range travel 	**More efficient electric motors**	Agreements with CAE, VoltAero, Diamond Aircraft and Aura Aero to equip their aircraft with the **ENGINeUS™ electric engine**
	Integrated management of **electric/hybrid systems**	Inauguration of Safran Electrical & Power's **center of excellence in electrical engineering** Partnership with Cranfield Aerospace on **fuel-cell propulsion**

1 Contributing to the development of a new generation of ultra-efficient engines compatible with carbon neutrality

Accelerating the transition to carbon neutrality means "skipping a generation" in efficiency terms and going much further than the 10% to 15% improvement in fuel consumption usually achieved with each new generation of aircraft compared to the previous one. This is the aim of the Revolutionary Innovation for Sustainable Engines (RISE) technology development program, led by Safran and its partner GE Aerospace, which is preparing the next generation of engines for short- and medium-haul aircraft. **Safran is aiming for a breakthrough in terms of fuel consumption, with an engine that delivers an improvement of over 20% in fuel consumption compared with the LEAP engine** (which is 15% more efficient than the CFM56, the previous generation engine). Safran is also helping to improve the efficiency of future aircraft through its equipment, cabin interiors and seats businesses. Lighter cabins made using new materials and optimized electrical systems are key to making progress in these areas.

TWO NEW DEMONSTRATORS IN 2022

In 2022, Safran and GE Aerospace, through CFM International, signed partnership agreements with Airbus to fly two demonstrators: one testing the RISE open-fan engine architecture, and the other a hydrogen engine. Demonstrations are planned for the middle of the decade on an A380.

(1) *Greenhouse Gas Protocol.*
(2) *Sustainable aviation fuel.*
(3) *Drop-in fuels are fuels that can replace all or some of conventional kerosene without any operational impact, i.e., without requiring modification to infrastructures (at airports, for example) or to aircraft or engines, whether existing or under development.*

2 Sustainable fuels: an important solution in the short term

As a supplier of engines and fuel system equipment, **Safran is working on lifting the technical obstacles to enable 100% incorporation of drop-in sustainable fuel** with forthcoming engine generations, and to cross the 50% threshold on present-day engines. This primarily involves evaluating the behavior of certain fuel-circuit equipment and ensuring optimum combustion performance. Aircraft systems aside, development of sustainable fuels (currently three times more expensive than kerosene) calls for public policies encouraging investment in production processes.
At the request of the European Commission, Safran is chairing the Aviation Chamber of the European Renewable and Low-Carbon Fuels Value Chain Industrial Alliance, which is mobilizing the entire value chain to encourage investment in new production facilities in Europe. **Safran supports technological innovation upstream in the fuel industry**, and, in early 2022 invested in the German start-up Ineratec, which develops reactors to produce synthetic fuels.
Safran is also working on hydrogen technologies for 2035 for short- and medium-haul and smaller aircraft, in particular by harnessing the expertise available within the ArianeGroup. The hydrogen option is more ambitious in relation to CO_2 emissions reduction, and requires disruptive innovations in storage (in the form of liquid hydrogen) and the fuel circuit.

3 Electric and hybrid propulsion: a solution for short distances

The short- and medium-term outlook for developments in battery energy density means electric and highly hybrid propulsion will be limited to short-distance flights in low-capacity aircraft: training aircraft, small shuttles, regional aircraft (in the medium term), and new VTOL[(1)] or STOL[(2)] aircraft for urban or suburban transport. Hybrid propulsion for future aircraft and helicopters will contribute to meeting the highly ambitious objectives on reducing fuel consumption. **Safran holds a leading position in all-electric and hybrid architectures, developing a range of electric-system products** (engines, turbogenerators and energy management systems) and working with innovative companies on batteries. In 2022, Safran signed several agreements to equip CAE's Piper Archer aircraft, VoltAero's Cassio 330 hybrid electric aircraft prototype and Diamond Aircraft's eDA40 electric aircraft with its ENGINeUS™ electric motors. Safran is also working with Aura Aero on the architecture and electric propulsion of the INTEGRALE training aircraft and the ERA regional jet.
In September 2022, it also opened a new center of excellence in electrical engineering in Créteil (France), and invested in Cranfield Aerospace to collaborate on the development of a hydrogen fuel-cell electric aircraft.

DECARBONIZING ITS OPERATIONS

To reduce emissions from its facilities and its energy consumption (Scopes 1 and 2), Safran is leveraging a number of drivers, including:

- reduction of site energy consumption, as with the Group-wide phase-in of an energy management system based on the ISO 50001 standard;
- heat production from renewable sources such as biomass, urban heating networks and geothermal energy;
- on-site electricity production and self-consumption: solar photovoltaic production facilities were installed in 2021 (Sydney and Massy sites), with projects underway at various other sites;
- supply from low-carbon energy sources (solar energy purchase contract to supply all Group sites in Mexico, 20% sustainable aviation fuels in the fuel used in engine acceptance tests at the end of 2022).

In response to the energy crisis in Europe, Safran introduced an energy sobriety plan in 2022, designed to cut gas and electricity consumption at European sites by 10% by 2024 (compared with 2019). The plan concerns all Group employees and is based around simple rules on setting temperatures, eco-friendly actions, turning off equipment at the end of a shift, and work organization.

Safran is also working to reduce indirect emissions related to its operations (Scope 3).

In particular, in July 2022 the Group launched a campaign to get its 400 most emissions-intensive suppliers to commit to plans to reduce emissions by 2025 in line with targets compatible with the Paris Agreement. Carbon maturity and an internal carbon price are now factored into the supplier selection process.

SOLAR POWER GENERATION FOR SAFRAN SITES

In 2022, Safran began installing solar panels at 17 key French sites – mainly in parking lot roofs – to produce part of the electricity consumed in operations. These projects represent nearly 50 MWp[(3)] and will cover an average of 15% of the sites' consumption. In Morocco, the Safran Nacelles site in Casablanca inaugurated a 1.7-MWp solar power facility in December 2022, which will cover more than 20% of the site's energy consumption and save 2,000 metric tons of CO_2 emissions per year.

(1) *Vertical Take-Off and Landing aircraft.*
(2) *Short Take-Off and Landing aircraft.*
(3) *Megawatt-peak is the unit of measurement used to describe the power output of photovoltaic panels under optimal conditions.*

KEY PERFORMANCE INDICATORS AND RATINGS

Key non-financial performance indicators presented based on the four pillars of the CSR strategy

DECARBONIZE AERONAUTICS	2021	2022	2025 OBJECTIVE
Scope 3 (product use): R&T investment focused on environmental efficiency. Choose technologies (engines and equipment) contributing to ultra-efficient aircraft for 2035, targeting carbon neutrality for 2050, with 100% sustainable fuels	75%	81%	75% in 2025
Scope 3 emissions (product use) (in g CO_2/seat kilometer) *Change in Scope 3 emissions (product use) compared with 2018*	5.1 -13%	4.5 -24%	-42.5% by 2035 *(vs. 2018*),* *i.e., an average of 2.5% per year*
Scope 1 and 2 emissions, market-based method (t CO_2eq.) *Change in Scope 1 and 2 emissions compared with 2018*	403,113 -30.3%	403,730 -30.2%	-30% by 2025 *(vs. 2018)* -50% by 2030 *(vs. 2018)*
Facilities achieving the five zero targets roadmap			100% by 2025
2021: zero non-recycled paper	100%**	100%**	
2022: zero machines or equipment running unnecessarily	N/A	50%***	
2023: zero single-use plastic cups or dishes	N/A	N/A	
2024: zero foodservice offers without local and seasonal products	N/A	N/A	
2025: zero non-eco-friendly green spaces	N/A	N/A	

* *Scope 3 emissions (product use): 5.9 g CO_2/seat kilometer in 2018.*
** *At end-2021 and end-2022, supply contracts for white and/or color paper in France and Belgium included recycled paper only.*
*** *At December 31, 2022, more than one-third of the Group's sites had identified 17,000 machines and equipment that should be labeled to indicate how to turn them off. Approximately half had the correct labeling.*

BE AN EXEMPLARY EMPLOYER	2021	2022	2025 OBJECTIVE
Number of training hours per employee per year (excluding employees on long-term absence)	21	25	26
Frequency of lost-time work-related accidents (number of accidents per million hours worked)	2.1	2.1	2
Proportion of employees worldwide benefiting from a minimum level of health cover (medical, optical and dental)	79%	77%**	100%
% of women among senior executives*	15.1%	17%	22%

* *Members of the Executive Committee and employees are classified into four categories ("bands") based on their level of responsibility. Responsibilities increase from category 4 to category 1. This classification is linked to the Willis Towers Watson Global Grading System (GGS) method.*
** *The 2022 indicator has been calculated based on a larger scope.*

EMBODY RESPONSIBLE INDUSTRY	2021	2022	2025 OBJECTIVE
Proportion of senior executives and exposed and affected people trained in anticorruption*	89%	77%**	100%
Proportion of purchases made from suppliers that have signed Safran's responsible purchasing guidelines or that have equivalent guidelines of their own	32.4%	59.3%	80%
Proportion of facilities classified as "Gold" based on Safran's HSE standards	33%	41%	100%
Waste recovery ratio	70.2%	69.2%	> 2019 ratio (68.3%)

* *Purchasing, HR, Sales, Legal, Finance, Audit & Internal Control, Compliance & Business Ethics, Risks and Communications Departments.*
** *The compliance training policy was reviewed in 2022, with a new structure and a larger pool of people to be trained (increase of more than 35%, from more than 4,000 to more than 6,500 people).*

AFFIRM OUR COMMITMENT TO CITIZENSHIP	2021	2022	2025 OBJECTIVE
Number of new PhD students	47	80	> 63
Percentage of facilities with more than 100 employees running at least one social or professional integration initiative	45.3%	76%	100%

Key financial performance indicators

	2021	2022	2023 OBJECTIVE
Organic growth in adjusted revenue	-5.4%	+15.8%	Adjusted revenue: at least €23 billion
Adjusted recurring operating margin	11.8%	12.6%	Recurring operating income: approx. €3 billion
Adjusted ROI to FCF conversion	93%	111%	Free cash flow: at least €2.5 billion
Dividends *Payout ratio*	€0.50/share 28%	€1.35/share 40%*	

** Of restated adjusted net profit (excluding the contribution from the French government in the form of short-time working, the contribution of employees in 2022 (abondement), and the impairment of Aircraft Interiors goodwill).*

Key governance indicators

	2021	2022
Average attendance rate at Board meetings	98%	94%
% of Chief Executive Officer compensation subject to performance conditions	approx. 70%	approx. 70%
% of independent Directors on the Board of Directors after the Y+1 AGM	69.2%	66.7%*
% of women on the Board of Directors after the Y+1 AGM	46.15%	41.7%*

** Assuming adoption of the resolutions at the Annual General Meeting of May 25, 2023.*

Long-term credit rating: strong balance sheet

A- with stable outlook (S&P)

Non-financial ratings: a recognized CSR performance

		Safran	Peer comparison	
MSCI	Rating from "CCC" to "AAA" ("AAA" being the highest).	**A**	**Above the average** of 33 companies in the A&D sector	*October 2022*
SUSTAINALYTICS	Rating evaluating ESG risk level, with the lowest rating corresponding to the best non-financial performance.	**23.2** Medium risk	3rd out of 100 companies in the A&D sector	*December 2022*
MOODY'S ANALYTICS	Rating from 0 (lowest) to 100 (highest).	**64/100** Advanced level	1st out of 47 companies in the Aerospace sector	*June 2022*
CDP DISCLOSURE INSIGHT ACTION	Understanding of environmental challenges for the company. Rating from "D" to "A" (A being the highest).	**A-**	Among the **top 20%** of companies in the Transport OEMs (Original Equipment Manufacturer)-EPM (Engine Parts Manufacturer) sector	*March 2023*

OVERVIEW OF SAFRAN'S BUSINESS IN 2022

DEFINITIONS

Adjusted data

To reflect the Group's actual economic performance and enable it to be monitored and benchmarked against competitors, Safran prepares an adjusted income statement in addition to its consolidated financial statements.

Readers are reminded that Safran:

- is the result of the May 11, 2005 merger of Sagem and Snecma, accounted for in accordance with IFRS 3, "Business Combinations" in its consolidated financial statements;
- recognizes, as of July 1, 2005, all changes in the fair value of its foreign currency derivatives in "Financial income (loss)", in accordance with the provisions of IFRS 9 applicable to transactions not qualifying for hedge accounting (see section 3.1, Note 3.f of the 2022 Universal Registration Document). Accordingly, Safran's consolidated income statement has been adjusted for the impact of:
  - purchase price allocations with respect to business combinations. Since 2005, this restatement concerns the amortization charged against intangible assets relating to aircraft programs remeasured at the time of the Sagem-Snecma merger. With effect from the first-half 2010 interim financial statements, the Group decided to restate:
    - the impact of purchase price allocations for business combinations, particularly amortization and depreciation charged against intangible assets and property, plant and equipment recognized or remeasured at the time of the transaction and amortized or depreciated over extended periods due to the length of the Group's business cycles, and the impact of remeasuring inventories, as well as
    - gains on remeasuring any previously held equity interests in the event of step acquisitions or asset contributions to joint ventures,
  - the mark-to-market of foreign currency derivatives, in order to better reflect the economic substance of the Group's overall foreign currency risk hedging strategy:
    - revenue net of purchases denominated in foreign currencies is measured using the effective hedged rate, i.e., including the costs of the hedging strategy,
    - all mark-to-market changes on instruments hedging future cash flows are neutralized.

The resulting changes in deferred tax have also been adjusted.

Recurring operating income

In order to better reflect recurring economic performance, the recurring operating income subtotal excludes income and expenses that are largely unpredictable because of their unusual, infrequent and/or material nature such as: impairment losses/reversals, capital gains/losses on disposals of operations, gains on remeasuring previously held equity interests in entities in which the Group has acquired a controlling interest, and other unusual and/or material non-operating items.

2022 business review

(adjusted data)

Adjusted income statement *(in € millions)*	FY 2021	FY 2022	% change
Revenue	15,257	19,035	24.8%
Recurring operating income	1,805	2,408	33.4%
% of revenue	*11.8%*	*12.6%*	*0.8pt*
Profit for the period attributable to owners of the parent	**760**	**1,178**	**55%**
Earnings per share attributable to owners of parent *(basic in €)*	**1.78***	**2.76****	**55%**

* *Based on the weighted average number of shares of 426,650,425 as of December 31, 2021.*
** *Based on the weighted average number of shares of 426,680,657 as of December 31, 2022.*

Safran in 2022

The global narrowbody capacity increased throughout the year in all geographies except China. In 2022, narrowbody ASK were at 82% (on average) of 2019, with Q4-22 at 86% of Q4-19.

2022 revenue amounted to €19,035 million, up 24.8% compared to 2021, 15.8% organic. Change in scope was €(9) million(1). Currency impact of €1,382 million reflects a positive translation impact of USD revenues, with an average €/$ spot rate of 1.05 in 2022 (1.18 in 2021). €/$ hedge rate was at 1.15 (1.16 in 2021). Q4-22 sales increased by 21.1% at €5,626 million (11.8% organic) compared to Q4-21.

Segment breakdown of adjusted revenue *(in € millions)*	FY 2021	FY 2022	% change	% change in scope	% change currency	% change organic
Propulsion	7,439	9,506	27.8%	-	9.5%	18.3%
Equipment & Defense	6,325	7,535	19.1%	0.7%	7.8%	10.6%
Aircraft Interiors	1,475	1,978	34.1%	(3.7)%	12.7%	25.1%
Holding company & Others	18	16	-11.1%	N/A	N/A	(11.1)%
TOTAL GROUP	**15,257**	**19,035**	**24.8%**	**(0.1)%**	**9.1%**	**15.8%**

On an organic basis, 2022 revenue increased by 15.8%:

- **Propulsion** increased by 18.3% driven by a solid civil aftermarket activity (+29.3% in USD) highlighting strong spare parts sales for CFM56 and high thrust engines. Service activities for civil engines posted modest growth in the year. OE revenue was supported by higher deliveries with combined shipments of CFM engines reaching 1,196 units (1,136 LEAP and 60 CFM56), compared with 952 in 2021. Military engine activities recorded a slight growth in services but were down due to lower M88 deliveries. Helicopter turbines registered a lower OE activity and stable services (supply chain issues offset by higher pricing and support-by-the-hour contracts).

  Q4-22 sales increased by 10.0% mainly due to higher civil engine deliveries. Civil aftermarket revenue was up 4.3% compared to Q4-21 (as a reminder +53% in Q1, +41% in Q2 and +36% in Q3);

(1) Divestment of EVAC in June 2021, Safran Ventilation Systems Oklahoma (Enviro Systems) in November 2021, Pioneer Aerospace in April 2022 and Arresting Systems in June 2022. Acquisition of Orolia in July 2022.

- **Equipment & Defense** was up 10.6% driven by aftermarket services across all activities. OE sales were up mainly thanks to nacelles (A330neo and LEAP-1A powered A320neo) and to a lesser extent safety systems (evacuation slides for A320neo) as well as fuel and fluid systems.

  Electronics & Defense revenue registered a slight increase with growing avionic activities (FADEC for LEAP and inertial navigation systems), higher deliveries of JIM binoculars but lower deliveries of guidance systems.

  The widebody market remained low during the first part of the year, notably on the 787 program impacting wiring, power and landing gear activities.

  Q4-22 sales increased by 12.0% compared to Q4-21 with strength in nacelles, Aerosystems and Electronic & Defense activities. MRO activities for landing gear activities were slightly impacted by supply chain constraints at the end of the year;
- **Aircraft Interiors** revenue recorded a solid 25.1% growth primarily driven by services for all activities. OE Cabin (toilets for A320neo, A350, 737 MAX and galleys) and Passenger Innovation (IFE) activities performed well during the year. Seats OE activities were impacted by lower volumes on business class seats.

  Q4-22 sales increased by 21.2% compared to Q4-21 thanks to Cabin and Passenger Innovation activities both in OE and services.

Segment breakdown of recurring operating income *(in € millions)*	FY 2021	FY 2022	% change
Propulsion	**1,342**	**1,710**	**27.4%**
■ % of revenue	18.0%	18.0%	
Equipment & Defense	**650**	**874**	**34.5%**
■ % of revenue	10.3%	11.6%	
Aircraft Interiors	**(167)**	**(140)**	**16.2%**
■ % of revenue	(11.3)%	(7.1)%	
Holding company & Others	**(20)**	**(36)**	**n/s**
TOTAL GROUP	**1,805**	**2,408**	**33.4%**
■ % of revenue	11.8%	12.6%	

2022 recurring operating income[(1)] reached €2,408 million, +33.4% compared to 2021 (+28.0% organic) mainly driven by service activities for Propulsion and Equipment & Defense. It includes scope changes of €4 million and a currency impact of €94 million. The Group registered an increase of profit-sharing[(2)] as well as a higher R&D impact in P&L. The operating margin stood at 12.6% of sales compared with 11.8% in the year ago period.

On an organic basis, recurring operating income improved by 28.0%:

- **Propulsion** recurring operating income was up by 23.1% due to a strong civil aftermarket activity which was driven by higher spare parts sales for CFM56 and high thrust engines. Military services also supported the positive trend seen in 2022. The CFM56/LEAP transition was a negative contribution with lower CFM56 deliveries and higher LEAP deliveries at negative margin. M88 OE deliveries as well as helicopter turbine activities had a negative impact compared to 2021;
- **Equipment & Defense** recurring operating income increased by 25.1% driven by growth in services notably landing gear, carbon brakes, aerosystems and nacelles. OE nacelles had a positive contribution thanks to A330neo and A320neo programs. Electronics & Defense was flat with higher avionics and optronics activities compensating lower guiding and navigation systems;
- **Aircraft Interiors** posted a recurring operating loss of €(140) million, an improvement of €48 million in organic from 2021. Cabin activities reached breakeven in Q4-22 thanks to a strong growth in services and to a lesser extent to OE deliveries. Seats reported a positive contribution from services but a loss from OE activities. Seats is facing supply chain issues and cost-overruns in engineering and production. Strong efforts are deployed to stem these losses going forward.

In 2022, non-cash one-off items were €(450) million including an impairment charges for several programs of which €(105) million related to Russia as well as €(319) million of goodwill impairment in Aircraft Interiors and a capital gain on disposals of €63 million.

Adjusted net income – Group share was €1,178 million in 2022 (basic EPS of €2.76 and diluted EPS of €2.68) compared with €760 million in 2021 (basic EPS of €1.78 and diluted EPS of €1.73).

(1) Operating income before capital gains or losses on disposals / impact of changes of control, impairment charges, transaction and integration costs and other items.

(2) The over-performance recorded in 2022 allowed an increase in the optional profit-sharing ("Intéressement") paid to French employees.

It includes:

- Net adjusted financial expense of €(186) million, including €(56) million of cost of debt, €(95) million exchange revaluation of positions in the balance sheet and €(48) million impairment of financial assets in Russia (notably non-consolidated investments);
- An adjusted tax expense of €(557) million (31.4% apparent tax rate).

The reconciliation between 2022 consolidated income statement and adjusted income statement is provided in section 2.1 of Safran's 2022 Universal Registration Document.

Free cash flow[(1)] of €2,666 million benefited from advance payments. Safran resumed its investments in production capacity and low carbon initiatives with capital expenditures (tangibles and intangibles) increasing to €(879) million (€(756) million in 2021).

The favorable working capital evolution (€729 million) reflects significant customer advance payments as well as strong deferred income from rate per flight hour service contracts offsetting a significant increase in inventories to ensure minimal disruption of deliveries to customers.

Research & Development

Total R&D, including R&D sold to customers, reached €1,540 million, compared with €1,430 million in 2021.

Self-funded R&D expenses before tax credits were up 10.3% at €1,019 million in 2022 including:

- Development expenses at €548 million (€532 million in 2021);
- Research & Technology (R&T) self-funded expenses at €471 million (€392 million in 2021). Efforts are mainly directed towards decarbonization through RISE, a technology program that lays the foundations for developing a future engine that is 20% more fuel-efficient than the latest-generation LEAP engine, and 100% compatible with sustainable fuels.

The impact on recurring operating income of expensed R&D was €826 million, down (0.1) point of margin compared to 2021, with lower capitalized R&D and higher amortization and depreciation related to R&D programs. It represents 4.3% of sales, consistent with a mid-term target of 4.5% on average for 2021-2025.

Net debt and financing

As of December 31, 2022, Safran's balance sheet exhibits a €14 million net cash position (vs. net debt of €1,544 million as at December 31, 2021), as a result of a strong free cash flow generation.

Cash and cash equivalent stood at €6,687 million, up from €5,247 million at the end of December 2021.

In 2022 Safran continued to optimize its debt profile with key financing transactions:

- Reimbursement at maturity date in February 2022 of $540 million senior unsecured USPP notes issued in 2012; refinanced with €500 million EIB's bank loan (linked to a decarbonization research program) signed in March 2021 and fully drawn in February 2022;
- ESG Financing (refinancing of the 2015 Revolving Credit Facility): €2 billion undrawn sustainability-linked revolving credit facility available until May 2027 (with two one-year extension options). Cost indexed on reaching 2 ESG annual objectives.

On December 2, S&P upgraded Safran's long-term credit rating to A- with a stable outlook.

Currency hedges

The hedge book amounts to $52.6 billion in January 2023, compared to $50.1 billion in September 2022.

- 2023 is hedged: targeted hedge rate of $1.13, for an estimated net exposure of $10.0 billion.
- 2024 is hedged: targeted hedge rate between $1.13 and 1.15, for an estimated net exposure of $11.0 billion.
- 2025 and 2026 are hedged: targeted hedge rate between $1.12 and 1.14, for a respective estimated net exposure of $12.0 billion and $13.0 billion.
- 2027 is partially hedged: $6.6 billion hedged out of an estimated net exposure of $14.0 billion.

(1) This non-accounting indicator (non-audited) is equal to cash flow from operating activities less change in working capital and acquisitions of property, plant and equipment and intangible assets.

Portfolio management

Safran continues to execute its **targeted divestment program:**

- Pioneer Aerospace Corporation, safety control systems as well as parachute release and launch platforms: closed on April 15, 2022;
- Safran Aerosystems Arresting Systems, military aircraft arresting systems: closed on June 30th, 2022;
- Cargo and catering activities: agreement signed, closing expected in Q2-23.

Safran has executed in several **bolt-on acquisitions:**

- Orolia, Resilient Positioning, Navigation and Timing (PNT) solutions: closed on July 7th, 2022;
- Cilas (63% with MBDA), laser and optronics solutions: closed on November 2nd, 2022;
- Syrlinks, earth-space communications equipment: closed in November 4th, 2022;
- Aubert & Duval, the share purchase agreement was signed with Airbus and Tikehau Ace Capital on June 21st, 2022: closing expected in H1-23;
- Thales Electrical Systems activities, electrical systems: closing expected in H2-23.

All in all, divestments represent approximately €400 million of cash-in and acquisitions approximately €650 million of cash out for transactions closed in 2022 and those already committed for 2023.

Shareholder returns

Dividend

For fiscal year 2022, a dividend[1] payment of €1.35 per share (compared to €0.50 in 2021) will be proposed to the shareholders' vote at the Annual General Meeting on May 25, 2023. Safran calculates its dividend payout basis using restated profit, which takes into account exceptional non-recurring items that Safran considers should not be included in calculating dividends. In 2022, adjusted profit attributable to owners of the parent was restated to take into account the support received from the French government in the form of short-time working (as in both 2020 and 2021), as well as the contribution of employees *(abondement)* and, exceptionally, the non-cash impairment of Aircraft Interiors goodwill. Accordingly, the dividend payout ratio for 2022 (submitted to the 2023 Annual General Meeting) is 40% of restated adjusted profit (49% of non-restated adjusted profit).

Liability management transaction (2027 OCEANEs)

Purchase of up to 9.4 million shares announced on October 28, 2022 in order to hedge the potential dilution of 2027 convertible bonds[2]:

- First tranche completed at 2022 year end: c.2.4 million shares (€275 million cash-out);
- At February 9: c.4 million shares purchased (€492 million cash-out) cumulative;
- Ongoing second tranche expected to be completed by March 31, 2023.

Those shares will be delivered to 2027 OCEANEs' holders if and when they exercise their conversion right.

Full-year 2023 outlook

Safran expects to achieve for full-year 2023 (at current perimeter, adjusted data, €/$ spot rate of 1.05 and hedge rate of 1.13):

- Revenue of at least €23.0 billion;
- Recurring operating income of c.€.3.0 billion;
- Free Cash Flow of at least €2.5bn, subject to payment schedule of some advance payments.

This outlook is based notably, but not exclusively, on the following assumptions:

- No further disruption to the world economy;
- Air traffic: narrowbody ASK back to 2019 level in the course of 2023;
- LEAP engine deliveries: increase by c.50%;
- Civil aftermarket revenue: up in the low twenties (in USD).

The main risk factor remains the supply chain production capabilities.

(1) Ex-date: May 30, 2023; Record date: May 31, 2023; Dividend payment: June 1, 2023.

(2) c.9.24 million convertible bonds maturing in May 2027 (2027 OCEANEs) for a total nominal value of €1,000M and a unit par value of €108.23. Conversion ratio currently set at 1.009. Current conversion price of €107.26 with a potential dilution of 2.18% of capital. Redemption at maturity or early redemption at Safran's discretion from June 2024 if the stock price exceeds 130% of conversion price (currently c.139€). Refer to the Terms and Conditions of the 2027 OCEANEs available on Safran website.

Request additional documents and information

New-generation in-flight refueling pod (NARANG) for Rafale-to-Rafale refueling

Article R. 225-83 of the French Commercial Code[1]

ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF MAY 25, 2023

Request to be sent to:

Uptevia

Service Assemblées Générales
Grands Moulins de Pantin
9, rue du Débarcadère
93761 Pantin Cedex, France

or via the contact form available at **https://planetshares.uptevia.pro.fr**

I, the undersigned,

Last name, first name (or corporate name): ....

Address: ....

Email: .... @ ....

Owner of:

.... registered shares

.... bearer shares recorded in an account held with[2] ....

hereby request the Company to send to the above address the documents and information referred to in Article R. 225-83 of the French Commercial Code, for the purposes of Safran's Ordinary and Extraordinary Shareholders' Meeting to be held on May 25, 2023.

Signed in: ...., on: 2023

Signature:

In accordance with Article R. 225-88 of the French Commercial Code, holders of registered shares may make a one-time request for the Company to send the documents and information referred to in Articles R. 225-81 and R. 225-83 of said Code prior to all future Shareholders' Meetings.

Please check this box if you wish to lodge this request: ☐

(1) *The documents and information referred to in Article R. 225-83 of the French Commercial Code include the parent company and consolidated financial statements, the management report drawn up by the Board of Directors and the Statutory Auditors' reports. These documents and information can also be downloaded from the Company's website at www.safran-group.com.*

(2) *For holders of bearer shares, please state the name and address of the authorized financial intermediary responsible for managing your shares.*

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Sign up for the e-notice of meeting

Corsair International A330neo cabin equipped with the Z400 Economy seat

Help support our sustainable development efforts by signing up for the e-notice of meeting for subsequent meetings

You can now choose to receive the notice of meeting by email, thereby helping us protect the environment and reduce our carbon footprint by cutting down on printing and mailing hard copies of the notice.

Opting for the e-notice of meeting is also a fast, easy and secure way to obtain all the information you need.

To sign up for the e-notice of meeting (effective for meetings after May 25, 2023), all you need to do is:

- fill out the reply slip below (also available on **www.safran-group.com**) by clearly writing your last name, first name, date of birth and email address and returning it in the enclosed prepaid envelope at your earliest convenience; or
- log on directly to the “e-notice” page at **https://planetshares.uptevia.pro.fr** **by 3.00 p.m. (CET) on May 24, 2023.**

If you have already signed up for the e-notice but continue to receive a hard copy, please resend us the reply slip below.

E-notice reply slip

I would like to sign up for electronic correspondence concerning my share account and receive by email a copy of:

My notice of meeting as well as all documentation pertaining to Safran’s **Shareholders’ Meetings held after May 25, 2023.**

I hereby provide the following information (all fields must be completed; please write in capital letters only):

☐ Mrs./Ms. ☐ Mr.

Last name (or corporate name): ....

First name: ....

Date of birth (mm/dd/yyyy): .... /............................ /.............................

Email: .... @ ....

Signed in: .... , on: 2023

Signature:

POWERED BY TRUST

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