5

SUSTAINABILITY STATEMENT AND SUMMARY DUTY OF CARE PLAN

AFR

5.1 SUSTAINABILITY STATEMENT

The Group is publishing its first Sustainability Information Statement (hereinafter **Sustainability Statement**), prepared in accordance with Directive (EU) 2022/2464 on the publication of sustainability information by companies, the Corporate Sustainability Reporting Directive (hereinafter **CSRD**), transposed into French law by Article L.232-6-3 of the French Commercial Code. This document replaces the non-financial information statement (NFIS).

This chapter is a part of the management report provided for in Article L.232-28-4 of the French Commercial Code. It is subject to certification by the Group's sustainability auditors, whose report is presented in section 5.1.7. As required, this report expresses a limited assurance conclusion on this Sustainability Statement.

It is important to note that the information published in this Sustainability Statement does not reflect all of Safran's sustainability actions, but only material points as defined by the CSRD. This information has been prepared in the context of first-time application of the CSRD directive and ESRS standards, characterized by uncertainties in the interpretation of the texts, significant estimates and a lack of established practices and frameworks, especially as regards double materiality analysis.

This first Sustainability Statement thus fits in with a continuous improvement process, and takes account of transitional provisions. It will be expanded on and improved in the coming years.

To make the information easier to read and understand, references to information required by the CSRD are shown in brackets.

5.1.1 General disclosures (ESRS 2)

5.1.1.1 Methodology

[BP-1]

5.1.1.1.1 Scope of the Sustainability Statement

Safran's Sustainability Statement has been prepared on a consolidated basis, covering, unless otherwise indicated, the scope of the Group's consolidated financial statements (fully consolidated companies) plus subsidiaries under Safran control but not consolidated on materiality matters in the financial statements.

The reporting scope for Scopes 1[1] and 2[2] emissions also includes the following joint ventures over which Safran exercises operational management: Aero Gearbox International Poland, Aero Gearbox International, Ceramic Coating Center SAS, Snecma Hal Aerospace Private Limited, Airfoils Advanced Solutions SAS, Sichuan Services Aero-Engine Maintenance.

The Group has carried out a double materiality analysis covering both its own operations and its upstream and downstream value chain, over the short, medium and long term. Through this exercise, Safran has identified the impacts, risks and opportunities (**IROs**) that it considers significant with regard to its business and its stakeholders' expectations. This Sustainability Statement groups these IROs by topic. In response to these IROs, Safran develops and implements specific policies and action plans. To monitor the effectiveness of these, the Group has set targets with associated metrics. The methodologies for calculating the indicators in this Sustainability Statement are outlined in sections 5.1.2.1.6 and 5.1.5.

Information on intellectual property, know-how and innovation outcomes

[BP-1 5d]

In accordance with the principles of ESRS 1, section 7.7 "Classified and sensitive information, and information on intellectual property, know-how or results of innovation", Safran has chosen not to disclose certain information, such as that regarding strategic objectives or ensuring the security of confidential information of its employees and customers.

5.1.1.1.2 Disclosures in relation to specific circumstances

[BP-2]

Time horizons

[BP-2 9a, b]

Safran uses time horizons consistent with those used for financial reporting, including for the preparation of the budget and the medium-term plan (MTP), which differ slightly from those laid down in the standards as defined in section 6.4 of ESRS 1:

- short-term covers a period of one year from the end of the reporting period. It corresponds to the rollout of actions whose finance has been secured;
- the medium-term horizon extends up to four years from the end of the reporting period. It corresponds to the rollout of actions whose financing has been secured under the MTP but which have not yet been fully deployed;
- the long-term time horizon extends beyond four years from the end of the reporting period. It corresponds to the definition in the Group's R&T roadmap and to its strategic pathways that extend beyond five years.

(1) *Scope 1: includes direct emissions linked to the combustion of energy sources such as natural gas, liquefied petroleum gas, heating oil or diesel, heavy fuel oil and aviation fuel, as well as emissions related to refrigerant leaks during recharging at Safran sites. Direct emissions from biogas are also included in the Scope 1 calculation.*

(2) *Scope 2: includes indirect emissions from the generation of purchased electricity, steam, heat or cooling consumed by the Group. The emission factor for electricity only takes combustion into account.*

Specific information and sources of estimation and outcome uncertainty and first-time application of the CSRD and ESRS

[BP-2 11]

This Sustainability Statement contains information that cannot be directly measured and must therefore be estimated, which results in a degree of uncertainty. This is particularly the case for data concerning the Group's value chain (both upstream and downstream), which is based on estimations when access to direct data is limited. Methodologies and assumptions are detailed in the relevant chapters.

The Group continues to work on improving the accuracy of its estimations.

Uncertainties in the interpretation of the texts related to first-time application also require judgments in the definition and application of relevant criteria for sustainability information, as well as uncertainties about the applicability and relevance of certain data points.

In addition, some metrics may have methodological limitations in the absence of harmonization of definitions and legislation or due to the qualitative and subjective nature of certain data. Metrics may reflect estimated data or include methodological simplifications.

For a limited number of metrics, the Group has chosen not to disclose certain information or only to disclose partial information where data is not available despite efforts to collect it and where estimates are not pertinent or would lead to the disclosure of confidential items related to production processes or business forecasts (this is particularly the case for some information related to [ESRS E1-4 34], [E2-4 28] and [E2-5 34]). Explanations are provided in the relevant sections of this Sustainability Statement.

With regard to the European Environmental Taxonomy, changes in the interpretation of Do No Significant Harm (DNSH) Pollution classification criterion could lead the Group to adjust its alignment criteria in the future.

Lastly, the Group may review its sustainability reporting and communication practices in the light of new regulations and standards. Work is underway on certain topics to improve the availability of the required information.

Safran is committed to a process of continuous improvement, taking into account industry best practices.

[BP-2 11b (i and ii)]

This Sustainability Statement also contains forward-looking statements based on current opinions and assumptions on future events. This forward-looking information includes projections and estimations based on assumptions, on considerations regarding projects, objectives and expectations for forthcoming events, operations, products and services, and on assumptions regarding future performance and synergies. No guarantee can be given that such projections and estimations will materialize, as they are subject to inherent risks, uncertainties and assumptions concerning Safran, industry trends, future investments and acquisitions, changes in economic conditions, and shifts in the main markets, competition and regulations. Such uncertainty means that actual outcomes could differ from those currently envisioned, with significant impact on expected results. Results could differ significantly from those projected or implied in forward-looking information.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

[BP-2 15]

This Sustainability Statement includes additional information required by French legislation. To comply with the French Commercial Code (Article L. 122-10-35), information on Safran's actions to combat tax evasion and promote the bond between the nation and its armed forces and to support engagement in the national reserve forces is provided in sections 5.1.3.1.3 and 5.1.4.3.2.

In May 2024, the European Financial Reporting Advisory Group (EFRAG) and the International Sustainability Standards Board (ISSB) published an interoperability guide to compare the requirements of the European Sustainability Reporting Standard (ESRS) with those of the ISSB's International Financial Reporting Standard (IFRS) on sustainability reporting. These guidelines illustrate the interoperability between the two sets of standards, particularly with regard to climate reporting (IFRS S2). Reflecting this interoperability, Safran's Sustainability Statement prepared in accordance with ESRS is substantially aligned with IFRS S2, Climate-related Disclosures.

Inclusion of information by reference

[BP-2 16]

To make the Sustainability Statement and this Universal Registration Document easier to read, the Group includes certain information by reference, to avoid redundancy.

The table below summarizes the publication requirements and specific data points specified by the ESRS standards, which have been included by reference:

Standards	Disclosure requirements and data points	URD sections
ESRS 2: GOV-1	21a) The number of executive and non-executive members	Section 2.2.2
	21b) Representation of employees and other workers	Section 2.2.2
	21c) Experience acquired by members of the Board of Directors	Section 2.2.2
	21e) Percentage of independent Board members	Section 2.2
	22) Details on the identity and role of administrative bodies	Section 2.1.4
ESRS 2: GOV-2	Information provided to administrative bodies on sustainability matters	Section 2.3.3
ESRS 2: GOV-3	Integration of sustainability-related performance in incentive schemes	Sections 2.6.2.2, 2.6.3.2 and 2.6.5.2
ESRS 2: SBM-1	Strategy, business model and value chain	Sections 1.1.5 and 1.2
ESRS 2: GOV-5	Information on risk management and internal controls over sustainability reporting	Section 4.1

Transitional provisions

The Group has decided to adopt some of the transitional measures in the preparation of its Sustainability Statement as set out in ESRS 1. The exemptions under the transitional measures concern the information required on:

- breakdown of total revenues by significant ESRS sector in the absence of a sector-based ESRS standard (ESRS 2 SBM-1);
- anticipated financial effects of material risks and opportunities (ESRS 2 SBM-3);
- anticipated financial effects related to climate change, pollution, resource use and the circular economy as defined in the thematic standards (ESRS E1-9 / E2-6 / E5-6);
- characteristics of non-employee workers in the undertaking's own workforce (ESRS S1-7);
- collective bargaining and social dialogue with employees in non-EEA (European Economic Area) countries (ESRS S1-8);
- social protection (ESRS S1-11);
- percentage of employees with disabilities worldwide (ESRS S1-12);
- training and skills development of employees that participated in regular performance and career development reviews specified in ESRS S1-13 83a;
- Health and safety for points specified by ESRS S1-14 -88d and 88e;
- work-life balance (ESRS S1-15).

5.1.1.2 Corporate Social Responsibility (CSR) governance

5.1.1.2.1 Role and responsibilities of governance bodies

[GOV-1] [GOV-1 20a] [GOV-1 21a, b, c, d, e]

Role and responsibilities of the Board of Directors

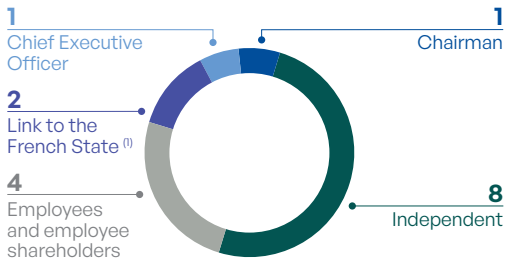
Governance metrics

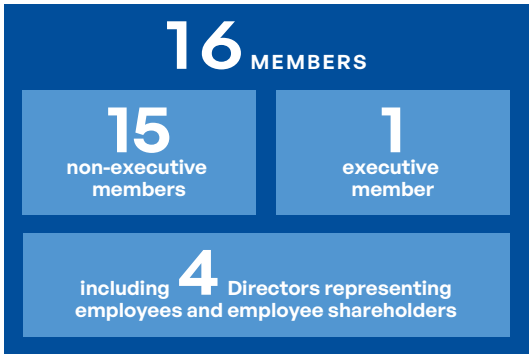
Safran's Board of Directors has sixteen members, including two Directors representing employees and two Directors representing employee shareholders.

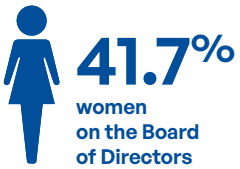
The gender balance is 41.7%(1).

The Board has eight independent members, bringing an independence ratio of 66.7%(2).

THE BOARD OF DIRECTORS AT DECEMBER 31, 2024







(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.*

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

Directors' expertise and skills

The Directors' wide range of skills and experience, acquired throughout their careers, enables the Board to meet Safran's strategic and performance challenges, including those on sustainability. The specific areas of expertise and skills for each Director are outlined in section 2.2.2 of the Universal Registration Document.

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	13
International career and experience	11
Strategy, competition and M&A	12
Finance and management control	11
Digital – New technologies	5
Corporate officer, governance, management position	16
HR – Sustainability – CSR	13
Climate	8
Sales & marketing experience	6

The Appointments and Compensation Committee and the Board review the skills of each Director each year, as part of the assessment of the Board's performance (see section 2.3.7). The skills recognized when a Director is appointed may evolve during his or her term of office. Therefore, the Appointments and Compensation Committee may be called upon to recognize new skills acquired through advanced training or the performance of external duties or terms of office.

Thirteen directors have been identified as having particular skills or expertise in the field of sustainability/CSR (see details in section 2.2.2). Since 2024, all members of the Board of Directors have taken training in CSR and sustainability. Such training is broken down into several modules: an initial module on sustainability fundamentals and regulations, including the CSRD, followed by specific modules on subjects particularly relevant to each Board member. Climate and human rights were also addressed in 2024. Other modules are planned for 2025, on the circular economy and responsible purchasing. All these modules are available to Directors on-demand.

Details on Directors' training in CSR and sustainability are given in section 2.2.4.2.4 of this Universal Registration Document.

Role of the Board of Directors

[GOV-1 20a]

The Board of Directors approves Safran's overall business strategy set and proposed to it by the executive management teams and oversees its implementation, in accordance with the Company's best interests and taking into account the social and environmental aspects of its activities. Sustainability topics are examined directly by the Board of Directors, and included upstream in the work of all of its specialist committees (Audit and Risk Committee, Innovation, Technology & Climate Committee, Appointments and Compensation Committee).

The Chairman of the Board and the committee chairs draw up their agendas at the start of the year on the basis of their members' input, and adapt them to accommodate requests and needs on the subjects to be addressed. Sustainability topics are reviewed collaboratively by the Board through reports by committee chairs or presentations on specific topics. Each committee reports on its work to the Board of Directors, which may formulate recommendations.

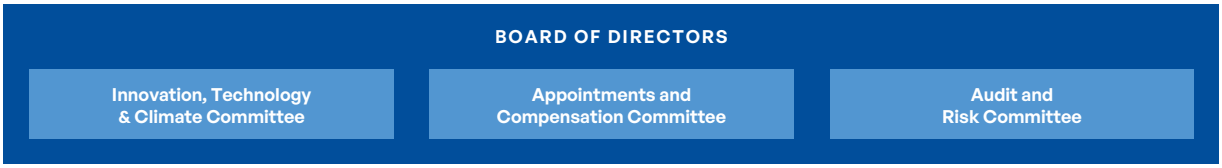
On sustainability information, the Board of Directors reviews ESG topics on the basis of material impacts, risks and opportunities. In accordance with its Internal Rules, it delegates preparatory work on material impacts, risks and opportunities to the Audit and Risk Committee.

The role and work of the Board of Directors and its committees with regard to corporate social responsibility are detailed in sections 2.1.4 and 2.3.3 of this Universal Registration Document.

- The **Innovation, Technology & Climate Committee** monitors objectives, trends, developments, progress and the overall direction of roadmaps concerning challenges that include major environmental topics (CO_2 emissions, hybridization, etc.). Its responsibilities include an analysis of Executive Management's climate action plan and the related information intended for publication by the Company and for presentation to the Annual General Meeting (see section 5.1.2.1.1).
- The **Audit and Risk Committee,** which has overseen sustainability reporting since 2024, is tasked in particular with verifying the process for drawing up the Group's sustainability statements and for monitoring its risk management and internal control systems.

  As indicated in section 4.1, the Group Risk and Insurance Director gives twice-yearly presentations to this Committee on the work carried out on identifying risks, as well as the Group's consolidated risk map and associated action plans. The Committee reports to the Board on its risk-related work on the same twice-yearly basis. The Committee's risk review work includes analyzing CSR risks, plus regular focus discussions on the main non-financial risks appearing in the Group's risk map. This Committee also monitors "Compliance & Ethics" topics (see section 5.1.4.3.2), as well as topics related to the EU Taxonomy (see section 5.1.2.4). During 2024, the Committee focused on the following points: (i) the process of drawing up and verifying sustainability information, in particular the review of the double materiality assessment, (ii) the tender process for the sustainability auditors put forward at the Annual General Meeting of May 23, 2024, and (iii) the draft Sustainability Statement.

- As part of its work on remuneration, and in its recommendations to the Board on this, the **Appointments and Compensation Committee** analyzes the Board's needs for specific skills on the matter, as regards annual assessment, appointments and mandate renewals. It factors in the Board of Directors' diversity policy as outlined in section 2.2.4.2 of the Universal Registration Document. The Committee also ensures that CSR performance targets are properly accommodated in remuneration policies and tools. In line with this, a portion of the Chief Executive Officer's annual variable remuneration is contingent on such objectives. This also applies to performance shares granted under long-term incentive (LTI) plans (see section 5.1.1.2.3).



Role and responsibilities of Executive Management

[GOV-1 20] [GOV-1 22a, b, c (i, ii and iii), d]

The Group's sustainability approach is coordinated at the highest level by the Chief Executive Officer and the Executive Committee. The Group Sustainability Department, which is represented on the Executive Committee, covers climate and environment, CSR and circular economy matters.

The sustainability roadmap is presented annually to the Group Executive Committee and to the Board of Directors.

All members of the Executive Committee representing the Group's central departments are responsible for one or more of the roadmap commitments, and for one or more topics relating to material impacts, risks and opportunities (see section 5.1.1.4.1). They oversee the policy, validate targets and monitor the implementation of action plans, procedures and associated control points.

The roadmap is rolled out within each Group company by the business networks concerned (low-carbon networks, energy managers, health, safety & environment (HSE) coordinators, CSR coordinators, etc.). It is also included in the presentation of the Group's strategic challenges to employee representative bodies.

Sustainability topics are taken up by the various committees reporting to the Executive Committee:

- **Climate Steering Committee:**

  Safran's Climate Steering Committee was created in 2020. Chaired by the Chief Executive Officer, it includes members of the Group Executive Committee representing the main businesses involved in the various aspects of climate action, as well as the CEOs of tier-one entities. Its work is focused on developing Safran's strategy for decarbonizing both the overall aviation industry and its own operations. This Committee met three times in 2024.

- **Group Risk Committee:**

  The Group Risk Committee is composed of the Chief Executive Officer, who acts as the chair, and the directors of the central corporate departments, and is led by the Group Risk and Insurance Director. This Committee consolidates the work of the main subsidiaries' risk committees on a twice-yearly basis, and reviews the identification, assessment and management of risks, and thereby the efficacy of control over the major risks to which the Group is exposed, including sustainability risks.

- **Compliance, Ethics and Anti-Fraud Committee:**

  The Compliance, Ethics and Anti-Fraud Committee is tasked with supervising employee respect for the general framework governing compliance with the rules laid out in the Ethical Guidelines and any changes in the system. This Committee is chaired by the Corporate Secretary, but all of the Group's departments are responsible for ensuring that their teams respect the compliance criteria. It draws on the work of the committee dedicated to characterizing whistleblowing reports received (weekly meetings). This Committee meets once every six months.

5.1.1.2.2 Information provided to and sustainability matters addressed by the undertaking's administrative and management bodies

[GOV-2 24, 25, 26a, b, c]

The Board of Directors and its specialist Committees, namely the Audit and Risk Committee, the Appointments and Compensation Committee and the Innovation, Technology & Climate Committee, are regularly kept informed of CSR by Executive Management.

For 2024, the first year of CSRD rollout, the Audit and Risk Committee validated the double materiality analysis and reviewed the list of 14 ESG topics and 42 material IROs for Safran as outlined in section 5.1.1.4.2 below. These IROs are regularly monitored.

The Audit and Risk Committee ensures that material IROs are taken into account and are in line with Group strategy. It also ensures consistency with the risk management process (ERM see section 4.1), and that the effects of these IROs are allowed for in merger and acquisition operations, and in budgetary approaches regarding investments or costs linked to operating expenses.

The agendas of Executive Committee meetings and seminars also include the monitoring of certain key points, linked to challenges and IROs of material importance to the Group, such as the transition plan and health, safety and diversity roadmaps.

In 2024, the Executive Committee monitored the rollout of CSRD requirements, carried out by a multi-disciplinary project team overseen by the Group Finance and Group Sustainability Departments. A steering committee, headed by the Chief Financial Officer and the Chief Sustainability Officer, is responsible for monitoring and validating proper application of CSRD requirements.

The members of the Executive Committee have received the same training as the directors in CSR fundamentals.

5.1.1.2.3 Integration of sustainability-related performance in incentive schemes

[GOV-3]

Safran has set up a system of variable remuneration for its executives, based on financial and non-financial targets.

Several sustainability-related metrics determined in line with the Group's objectives have been included in the Chief Executive Officer's annual variable remuneration and 2024 long-term incentive plan (see details in section 2.6.2.2 of the Universal Registration Document).

The Board of Directors is responsible for determining the remuneration of the Chief Executive Officer, on the recommendation of the Appointments and Compensation Committee.

Annual variable remuneration

The Chief Executive Officer's annual variable remuneration is contingent on achieving economic and individual, financial and non-financial, quantitative and qualitative performance objectives, which are aligned with the Group's overall business. Specific CSR objectives accounted for 35% of the objectives set for the Chief Executive Officer's annual variable remuneration for 2024.

For a detailed analysis of the structure and amounts of the Chief Executive Officer's remuneration, see section 2.6.2.2, "Compensation policy for the Chief Executive Officer" and section 2.6.3.2, "Compensation and benefits of the Chief Executive Officer for 2024".

Long-term incentive

The vesting of all of the performance shares granted to the Chief Executive Officer, as well as to the members of the Executive Committee and other senior executives, is subject to the achievement of internal and external performance conditions, including conditions related to non-financial performance.

The internal conditions relating to non-financial performance count for 20% of the total vested shares. The non-financial conditions relate to CSR and sustainability 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 topics

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 topics (such as the reduction of CO_2 emissions);
- gender equality (such as the proportion of women senior executives); and
- safety (such as reducing the lost-time accident frequency rate).

The main features of long-term remuneration schemes, the specific objectives and performance metrics linked to sustainability, and the process for setting these metrics are set out in the remuneration policies as outlined in section 2.6.2.2 of the Universal Registration Document.

5.1.1.2.4 Statement on duty of care

[GOV-4]

In accordance with French law no. 2017-399 of March 27, 2017 on the duty of care, Safran implements, through its duty of care plan, measures for identifying, analyzing and prioritizing risks, and for preventing serious violations of human rights and fundamental freedoms, personal health and safety, and the environment, related to the Group's own activities and those of its suppliers and subcontractors with which a business relationship is established.

When the Group cannot remedy all risks at once, prevention and mitigation measures are prioritized according to the impact and likelihood of the risks for potentially affected stakeholders and the environment. These measures are consistent with those resulting from the methodology and work of the Enterprise Risk Management (ERM) system (see section 4.1). The Group's duty of care plan specifies the following measures:

- a risk map for identifying, analyzing and prioritizing risks;
- procedures for regularly assessing, with regard to the risk map, the situation of subsidiaries, subcontractors and suppliers with which there is an established business relationship;
- appropriate programs to mitigate risks or prevent serious harm or damage;
- a warning mechanism and the collection of reports on the existence or occurrence of risks;
- a system for tracking the measures taken and assessing their effectiveness.

Existing tools	Information contained in the duty of care plan
Code of Ethics	■ Ethical Guidelines ■ Safran Responsible Purchasing Guidelines ■ Fair and Equal Culture Policy
Human Rights Policy	■ Group Human Rights Policy ■ Global CSR framework agreement signed with the IndustriALL Global Union and representatives of the French metalworking federations of the CFE-CGC, CFDT and CGT-FO unions ■ Gender Equality European & International Standard (GEEIS) label ■ Diversity charter ■ The Group's duty of care plan is based on the guiding principles of the Organization for Economic Cooperation and Development (OECD), the fundamental conventions of the International Labor Organization (ILO), the United Nations Global Compact and its ten human rights principles, the United Nations International Bill of Human Rights, and the UN Sustainable Development Goals.
Whistleblowing policy	In accordance with its Ethical Guidelines (see section 3.2.3.i), Safran has set up a whistleblowing system at Group level which complies with the applicable legal requirements, including those related to the duty of care. The issues that may be reported under this system include: ■ any fraud or attempted fraud; ■ any conduct or situation contrary to Safran's code of conduct for the prevention and detection of acts of corruption; ■ a situation that poses threat to, or could cause serious prejudice to, the general interest; ■ any serious and manifest violation of applicable laws and regulations, notably those bearing on human rights and fundamental freedoms, including discrimination of any kind, issues relating to health, personal safety and the environment. The Group's whistleblowing system is available in all languages (language to be selected by the whistleblower) and the reports can be made on an anonymous basis. The system can be accessed by all of the Group's payroll employees, as well as by external stakeholders, such as temporary workers, customers and suppliers. All whistleblowing reports are analyzed by a special committee and this is then followed by an investigation procedure. Where necessary, appropriate measures are taken and implemented, and disciplinary action may be taken. Details about the whistleblowing system are available to employees via the Group intranet, and to all suppliers via the Safran Responsible Purchasing Guidelines, and to all other stakeholders via the Group's corporate website.

Core elements of due diligence	Paragraphs in the Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	See governance system outlined above
b) Engaging with affected stakeholders in all key steps of the due diligence	Please refer to the following paragraphs: IRO-1 referred to in standards E1, E2, E5 and SBM-2 of thematic standards S1, S2, S4 and G1-1
c) Identifying and assessing negative impacts	Please refer to the following paragraphs: IRO-1 referred to in standards E1, E2, E5, G1 and SBM-2 & SBM-3 of thematic standards S1, S2, S4 and G1-1
d) Taking actions to address those adverse impacts	Please refer to the following paragraphs: E1-2 & E1-3, E2-1 & E2-2, E5-1 & E5-2 as well as S1-1 to S1-4, S2-1 & S2-3 to S2-4, S4-1 & S4-4 and G1-2, G1-3
e) Tracking the effectiveness of these efforts and communicating	Please refer to paragraphs: E1-4 to E1-8, E2-3 to E2-5, E5-3 to E5-5 as well as S1-5 to S1-9 and S1-10 to S1-17, S2-5, S4-5, G1-2 to G1-6

5.1.1.2.5 Risk management and internal controls over sustainability reporting

[GOV-5]

Risk management

Risks regarding sustainability topics are addressed in the Group's overall risk management process, which includes a specific risk governance and management framework (see section 4.3 “Risk factors” of the Universal Registration Document for further details).

Internal control

For this first year of sustainability reporting, Safran has strengthened its internal control system, as detailed in section 4.2, by:

- setting up a Group procedure for drafting the Sustainability Statement, detailing the steps involved in conducting the double materiality analysis and drafting the Sustainability Statement;
- documenting the process for collecting non-financial metrics (including an inventory of existing collection processes and the players involved within the business departments);
- updating the job descriptions in line with the new CSRD requirements;
- phasing in the Sustainability Statement as part of the Group’s internal control framework.

The short-term roadmap seeks to enhance the reliability of information through the rollout of business-specific control points.

Methodology for assessing sustainability reporting risks

Safran takes into consideration various risks concerning the completeness and integrity of data, the accuracy of results and estimations, and the availability of data across the value chain.

The accuracy of conclusions drawn from estimated data on the value chain may vary with the data collection methods used, the assumptions made, and the data sources themselves.

To prepare this first Sustainability Statement, Safran collected more detailed data than for the 2023 Non-Financial Information Statement, for reasons of completeness, reliability and integrity, and used estimates where necessary. Safran has also initiated a process of continuous improvement in the quality of data supplied by actors in the value chain both upstream and downstream.

5.1.1.3 Strategy, business model and CSR policy

5.1.1.3.1 Business model, CSR policy and value chain

[SBM-1]

Safran’s business model

Safran is an international high-technology group, operating in the aviation (propulsion, equipment and interiors), defense and space markets. Its core purpose is to contribute to a safer, more sustainable world, where air transport is more environmentally friendly, comfortable and accessible. Safran undertakes research and development programs to maintain the environmental priorities of its R&T and Innovation roadmaps. Driven by this clear mission of contributing to a safer, more sustainable world, Safran has built its business model on innovation, quality and environmental and social responsibility.

At December 31, 2024, Safran had approximately 103,000 employees[1], mostly located in Europe (62%, including 52% in France), the Americas (26%), Africa and the Middle East (7%), and Asia-Oceania (5%).

The main product lines and/or services offered, and the main markets and/or customer groups, are detailed in section 1.2 of the 2024 Universal Registration Document.

(1) *Employees for the purpose of the CSRD include permanent employees and temporary employees, i.e., 99,364 employees, as well as work-study students (3,474 people) and postgraduate students under industrial training-through-research agreements (CIFRE) (220 people).*

SAFRAN'S BUSINESS MODEL

RESOURCES

A PORTFOLIO OF ACTIVITIES ALIGNED WITH MARKET NEEDS

- **50%** Aerospace Propulsion
- **39%** Equipment & Defense
- **11%** Aircraft Interiors

RELEVANT AND DIFFERENTIATING SOLUTIONS

- Among the top three patent filers in France over the past ten years

A RESILIENT BUSINESS MODEL

- **50%** aftermarket activities

AN AMBITIOUS CSR POLICY

- Act for the environment
- Be an exemplary employer
- Embody responsible industry

CLIMATE TARGETS VALIDATED BY SBTi

COMMITTED AND TALENTED EMPLOYEES

- **An estimated 100,000** employees
- **29 training hours** on average per year per employee

A SOLID FINANCIAL POSITION

STRATEGY

Ensuring flight safety, customer satisfaction and well-being in the workplace

STRATEGIC FOCUSES

Decarbonize products and operations

Strengthen role in sovereignty

Stepping up sustainable innovation

Strengthening operational excellence by leveraging digital technology and artificial intelligence

MAJOR ASSETS

MACROTRENDS

Growth in air traffic

VALUE CREATION

CONTRIBUTION to the UN SDGs

CUSTOMERS

- **€27.3 billion** (2024 revenue)
- Safe, reliable, available, efficient, innovative and competitive products and services

EMPLOYEES

- **€7.8 billion** (2024 personnel costs)
- Attractive working conditions and social model including value-sharing

SUPPLIERS

- **€16 billion** (2024 purchases)
- Sustainable procurement and supplier relations label

SHAREHOLDERS

- TSR(1) 2005-2024: **up 14.5%** a year
- 2024 dividend (paid in 2025): **€2.90**/share*

GOVERNMENTS

- **€1 billion** (current tax expense 2024)
- The world's best technology serving **national, European and allied sovereignty** and French nuclear deterrence

INVESTMENTS FOR FUTURE GROWTH

- **5%** of revenue invested in self-funded R&D in 2024
- **88%** of self-funded R&T spend allocated to environmental efficiency
- **€1 billion** in capital expenditure

(1) TSR: Total Shareholder Return

* Subject to shareholder approval at the Annual General Meeting of May 22, 2025.

A detailed presentation of Safran's business model is given in the Universal Registration Document, section 5.1.1.3

Decarbonization of aviation

Defense/sovereignty global dynamic

CSR policy

Safran's CSR policy, overseen at the Group's highest governance level, is the outcome of joint work with stakeholders and reflects the Group's core purpose. It was updated in 2024, with commitments reorganized into three main areas and the consistent goal of driving Group strategy and business model toward both profitability and responsibility.

SUSTAINABLY CHANGING AVIATION, CONTRIBUTING TO A SAFER WORLD

ACT FOR THE ENVIRONMENT

1. Decarbonize aeronautics
2. Respect the environment and natural resources
3. Promote the circular economy

BE AN EXEMPLARY EMPLOYER

4. Ensure health and safety of employees, improve the quality of life at work and maintain a thriving social dialogue
5. Continue developing skills and support our local communities
6. Encourage equal opportunities and foster inclusion and diversity

EMBODY RESPONSIBLE INDUSTRY

7. Uphold exemplary ethics and ensure respect for human rights
8. Strengthen responsible practices in our supply chain and support our suppliers
9. Be at the forefront of innovation and foster partnerships for training and research

An approach backed by internal and external reference frameworks

United Nations Global Compact and Sustainable Development Goals

Safran became a signatory to the United Nations Global Compact in 2014. The Global Compact comprises ten principles relating to respect for human rights, international labor standards, the environment and the fight against corruption.

This voluntary membership implies adherence to and promotion of these universal principles in its practices. The Group's Chief Executive Officer assumes direct responsibility for this commitment.

Safran certifies the effective implementation of these principles by posting a Communication on Progress (CoP) on the United Nations Global Compact website each year. The Group is classified as Advanced in the CoP reporting framework, the highest standard in terms of CSR performance.

Safran's CSR policy is part of the global contribution to the achievement of the Sustainable Development Goals (SDGs) set by the United Nations for 2030.

Global Framework Agreement on Corporate Social Responsibility

Safran reaffirmed its commitment to CSR by renewing and strengthening its global framework agreement in 2023. Signed with the IndustriALL Global Union, this agreement was ratified by representatives of the CFE-CGC, CFDT and CGT-FO French metalworking federations.

It renews and extends the initial commitments made in 2017. It applies to all companies in all countries where the Group operates, as well as to all employees, and covers relations with suppliers, taking into account social and environmental developments while respecting cultural, social and economic diversity.

Its key objectives are to:

- place the Group's social responsibility policy within a negotiated framework in accordance with international labor conventions;
- reaffirm Safran's commitment to combating climate change and preserving the environment;
- continue to implement the Group's human resources policy, which emphasizes the development of talents and skills, as well as quality of life and well-being at work, while promoting diversity and equal treatment;
- guarantee rights to employee representation, in particular trade union rights, as well as the rights associated with freedom of negotiation and social dialogue;
- reassert Safran's commitments to ethical business conduct towards third parties, to combat corruption of all forms. Safran cultivates employee awareness on this endeavor through appropriate communication resources and training;
- ensure that respect for fundamental rights is a key criterion in the selection and evaluation of suppliers, subcontractors and service providers;
- take into account the impact of its activities: encourage the use of local human resources to fill available positions wherever possible in each host country.

Safran's value chain

Safran's value chain covers all the essential stages of value creation, from research and development through to production, assembly, marketing, distribution and aftersales service. Each step in this process is crucial to ensuring the production of advanced technologies and products of the highest quality and safety, while meeting rigorous sustainability and performance criteria.

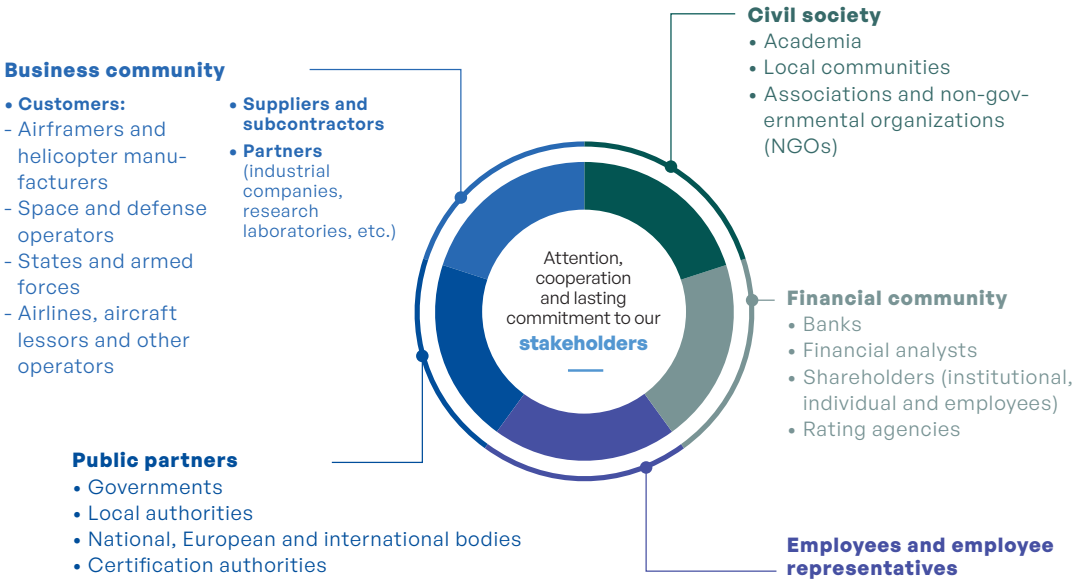
Safran relies on a solid network of suppliers carefully selected according to precise criteria on quality, cost and sustainability.

5.1.1.3.2 Interests and views of stakeholders

[SBM-2]

The Group takes its stakeholders' expectations into account in constructing, deploying and improving its CSR policy. Listening to stakeholders is key to ensuring sustainable growth and long-term value creation.

The Group ensures that stakeholders' views and interests concerning its activities are regularly communicated to the Board of Directors, notably through the work of its committees.



SAFRAN STAKEHOLDERS

BUSINESS COMMUNITY

MAIN EXPECTATIONS	MAIN DIALOGUE CHANNELS
• **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	**Customers:** • Satisfaction survey • Exchanges and customer meetings • Ethics whistleblowing channel **Suppliers and subcontractors:** • General purchasing conditions • Responsible purchasing charter • EcoVadis evaluations • Safran Supplier Days • Ethics whistleblowing channel **Partners:** • Presence in national, European and international aeronautical bodies • Representations at partner schools & universities

PUBLIC PARTNERS

MAIN EXPECTATIONS	MAIN DIALOGUE CHANNELS
• 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	• Directors with a link to the French State • Institutional relations, France, Europe and International • Dialogue with certification bodies • Compliance program

EMPLOYEES AND EMPLOYEE REPRESENTATIVES

MAIN EXPECTATIONS	MAIN DIALOGUE CHANNELS
• 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, health and safety • Strong commitment to decarbonizing the aviation sector • Compliance with national and international labor conventions	• Orientation days for new employees • Safran Intranet • Annual reviews • Department meetings, social observatories, employee surveys • Whistleblowing channel, Group reporting system • Social & Economic Committee, Group Committee, European Works Council, Group trade union coordinators, monitoring committee for global CSR agreement • Employee surveys

CIVIL SOCIETY

MAIN EXPECTATIONS	MAIN DIALOGUE CHANNELS
• 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	• Website and publications • Trade fairs, conferences, etc. • School forums • Network of school ambassadors • Bilateral meetings with NGOs

FINANCIAL COMMUNITY

MAIN EXPECTATIONS	MAIN DIALOGUE CHANNELS
• Attractive value creation • Transparency in the management of the Company, compliance with our financial and non-financial commitments, the medium- and long-term strategy and their implementation, and consideration of CSR criteria	• Board of Directors with board committees: Audit and Risk Committee, Compensation Committee, Innovation, Technology & Climate Committee. • Annual General Meeting • Responses to questions from financial analysts and rating agencies • Investor meetings (investor exchanges, governance roadshow, Capital Markets Day)

5.1.1.4 Safran ESG topics

5.1.1.4.1 Description of the methodology for identifying and assessing material impacts, risks and opportunities

[IRO-1]

Under application of the European CSRD directive, from September 2023 to March 2024, Safran carried out a double materiality analysis of its IROs, broken down by major topic.

To carry out this double materiality analysis, Safran opted for joint management by its Group Finance and Group Sustainability Departments. A steering committee comprising the key business functions (CSR, Risk and Insurance, Finance, Strategy) was set up, meeting monthly to validate the key stages of the process (list of topics IRO ratings, etc.). Safran also received support from a specialist external consultancy.

The process followed is shown below:

Stage 1: Preliminary review: identification of the main ESG topics and ensuing IROs

This first stage involved identifying the Group's main ESG topics There were two objectives here:

- **determine topics on all relevant points**: environmental, social, governance;
- **determine topics** across the value chain, in three categories: upstream, downstream and own operations.

The topics were identified through analysis of information from various sources:

1. Safran's "single" materiality analysis, carried out in 2015 and updated in 2019, with nine major topics selected;
2. the Group's risk management system (ERM);
3. findings from the gap analysis carried out during the first half of 2023 on the shortfall between policy, action plan and metrics available at Safran and the expectations of initial and final versions of the ESRS (in particular ESRS E1 AR 16);
4. benchmark data provided either by an external consulting firm (competitive and sector benchmarks), based on feedback from other materiality analysis assignments (single or double), or through Safran's inter-industry exchanges in working groups (through GIFAS, AFEP, MEDEF, etc.).

For each topic identified, a name, definition, examples and illustrations were listed. The 23 topics in the resulting list were then rated in an initial series of interviews with internal and external stakeholders.

Some topics were merged and reformulated on the basis of input from interviews during this initial rating phase. The result was a new, tighter, list of 14 topics, covering all the IROs and subjects discussed during the stakeholder interviews.

Stage 2: Stakeholder consultation

Safran's double materiality exercise called upon input from both internal and external stakeholders. In line with CSRD principles, the aim was to cover the entire value chain, with all the company's stakeholders.

The panel would therefore include representative internal and external stakeholders. 47 interviews were conducted, of which 32 with internal stakeholders and 15 with external stakeholders:

- **internal stakeholders**: members of the Executive Committee, representatives of Group departments, employee representatives, and certain members of the Board of Directors;

- **external stakeholders** representing the value chain:
  - business community (customers, suppliers and subcontractors, technology partners),
  - public partners (state, professional federations),
  - civil society (non-governmental organizations (NGOs), academia, thematic experts),
  - financial community (institutional investors).

The aim of these interviews was twofold:

- to produce a quantitative rating of impact and financial materiality for the various topics in order to prepare the IRO rating required by the CSRD;
- to gather illustrative and representative data on the Group's topics for full inclusion in CSR policy and management.

This exercise also enabled us to identify topics specific to the Group, in areas where CSRD sector standards have not yet been published.

The 14 following ESG topics were thus considered relevant, and aligned with the ESRS thematic standards, with the exception of "Innovation, support to research and scientific partnerships", which was considered specific to Safran:

	Safran topics	ESRS	Excom sponsors
Environment	1. Climate and decarbonization challenges (mitigation and adaptation)	ESRS E1 Climate change	Chief Sustainability Officer
	2. Access to raw materials and circularity of products and services	ESRS E5 Resource use and circular economy	Chief Sustainability Officer
	3. Management of pollution, waste and substances of concern	ESRS E2 Pollution	Chief Sustainability Officer
Social	4. Health and Safety & Quality of life at work	ESRS S1 Own workforce	Executive VP Corporate Human and Social Responsibility
	5. Diversity and inclusion		
	6. Attract & retain talent and develop skills		
	7. Quality of social dialogue		
	8. Quality, safety of sold products and services	ESRS S4 Consumers and end-users	Executive VP Industrial, Purchasing and Performance
	9. Customer relations and customer satisfaction		
	10. Respect human rights	ESRS S2 Workers in the value chain	Corporate Secretary
Governance	11. Innovation, support to research and scientific partnerships	Entity-specific	Executive VP, Strategy and Chief Technology Officer
	12. Resilience and ESG performance of the supply chain	ESRS G1 Business conduct	Executive VP Industrial, Purchasing and Performance
	13. Regulatory compliance and business ethics		Corporate Secretary
	14. Cybersecurity and protection of personal data		Executive VP, Chief Digital Officer and Chief Information Officer, and Corporate Secretary

Stages 3 and 4: Review and rating of material IROs on ESG topics

The identification of key topics for the Group enabled it to fine-tune the list of IROs. On the basis of the illustrations and explanations produced, the IROs were reformulated to enable full accommodation to the Safran context. This work was carried out using the tools and IROs (bank of IROs) of the consulting firm supporting Safran, to cover the full range of topics. On completion of this initial work on coupling ESG topics with IROs, a second review was carried out to fine-tune them to the Group context (reformulation) and identify duplicates and mirror IROs.

Once this final list had been drawn up, the IROs were rated to confirm first their materiality and then the materiality of the associated topic. This rating was made on a "rough" basis, prior to Safran mitigation measures.

The rating criteria listed in ESRS 1 for impact materiality and financial materiality were applied to each of the IROs:

- proximity (direct or indirect);
- potentiality (actual or potential);
- time horizon (short-, medium- or long-term);
- probability (low, medium, high, very high) for potential IROs only.

For risks and opportunities (financial materiality):

- financial impact (low, moderate, high or critical).

For impacts (impact materiality):

- magnitude (minimal, moderate, high or critical);
- scope (limited, medium, widespread or global).

For negative impacts only:

- irremediability (rating ranging from very easy to correct to not remediable).

For rating purposes, impact materiality and financial materiality were assessed to the thresholds (from 1 for low materiality to 4 for critical materiality) set by Safran, in line with those used internally by the Risk and Insurance Department.

The double materiality analysis concluded that 42 IROs were material, confirming the relevance of 14 ESG topics for Safran. Through this process, the Group assures all its stakeholders and its value chain that full attention is given to a very broad spectrum of ESG topics the purpose being to minimize its negative impact on the environment and on people, and also to take advantage of the opportunities opened by these topics for its business.

Take-up of material IROs by Safran's governance bodies

[GOV-3]

The IRO rating and final list of material IROs were reviewed and validated by the Group's central department managers across their respective areas of responsibility, as shown in the table of topics above.

The list of topics and associated IROs were also submitted to and validated by the Group Executive Committee, then by the Board of Directors after review by the Audit and Risk Committee (see section 4.1.3).

5.1.1.4.2 Material impacts, risks and opportunities and their interaction with strategy and business model

[SBM-3]

With regard to the ESG topics and the 42 impacts, risks and opportunities identified, the Group considers that the current and expected effects of these impacts, risks and opportunities, which are important for its business model and value chain, are well presented and reflected in the three areas of CSR policy presented in section 5.1.1.3.1 above, and are integrated into its decision-making process.

Safran's ESG topics

ESRS	Topics	Value chain (upstream, own operations, downstream)	Number of IROs	Type of IROs	SDGs	Safran's CSR focuses
	ENVIRONMENT					
Climate (E1)	Climate and decarbonization challenges (mitigation and adaptation)		9		12, 13	
Circular economy (E5)	Access to raw materials and circularity of products and services		1	**9** Risks **5** Negative impacts	7, 9	Act for the environment
Climate (E1) Pollution (E2)	Management of pollution, waste and substances of concern		4		6, 15	
	SOCIAL					
Own workforce (S1)	Health and safety & Quality of life at work		5		3, 4	
Own workforce (S1)	Diversity and inclusion		1		5, 8	
Own workforce (S1)	Attract & retain talent and develop skills		3	**8** Risks **2** Positive impacts **6** Negative impacts	10	Be an exemplary employer Embody responsible industry
Own workforce (S1)	Quality of social dialogue		1			
Consumers and end-users (S4)	Quality, safety of sold products and services		3			
Consumers and end-users (S4)	Customer relations and customer satisfaction		1			
Workers in the value chain (S2)	Respect for human rights		2			
	GOVERNANCE					
Entity-specific	Innovation, support to research and scientific partnerships		3	**6** Risks **1** Opportunity **2** Positive impacts **3** Negative impacts	4, 8	Embody responsible industry
Business conduct (G1)	Resilience and ESG performance of the supply chain		4		9, 12	
Business conduct (G1)	Regulatory compliance and business ethics		2		16, 17	
Business conduct (G1)	Cybersecurity and protection of personal data		3			

Description of material impacts, risks and opportunities

ESRS #	IROs	Description	Type	Time horizon
	Topic 1. Climate and decarbonization challenges (mitigation and adaptation)			
E1	Business disruption due to climate-related events affecting infrastructure and the value chain, resulting in service interruption risk	Disruption to the production or marketing of products and services due to extreme weather events in the value chain, with direct and indirect impacts on the company's operations.	Ⓡ Physical	ST
E1	Inability to meet stakeholder expectations and reputational damage in the event of failure to meet climate commitments or lack of ambition in the decarbonization strategy	Deterioration of relationships with the different stakeholders, as decarbonization is central to Safran's communicated strategy, with significant consequences for the company's operations.	Ⓡ Transition	LT
E1	Increased energy costs, especially for low-carbon energy	Additional costs in the event of an increase in the cost of the energy required for the Group's operations and its value chain, particularly in the transition to low-carbon energy sources, which may be volatile or require additional investment.	Ⓡ Transition	ST
E1	Compliance costs and penalties in the event of failure to meet or comply with climate-related commitments and regulations	Fines and litigation costs in the event of failure to comply with international climate and energy performance commitments and agreements, or due to the entry into force of new laws. Write-offs, asset impairments or early retirement of existing assets due to the tightening of climate change mitigation regulations.	Ⓡ Transition	MT
E1	Uninsurability of operations due to climate-related risks	Absence of insurance coverage for the Group or reduction of its coverage and/or increased insurance costs for operations in countries highly exposed to the consequences of climate change.	Ⓡ Physical	LT
E1	Endangerment of value chain workers at sites exposed to the effects of climate change	Endangerment of value chain workers at sites exposed to the effects of climate change.	Ⓘ−	LT
E1	Amounts invested in decarbonization and financial losses due to decisions to invest in unsuitable technologies	Amounts invested in innovation and R&T to decarbonize own operations and the sector, financial risks associated with investments in disruptive technologies that may prove unsuitable, and other costs incurred to decarbonize own operations and the value chain, and to implement proactive measures to reduce the carbon footprint of the value chain.	Ⓡ Transition	LT
E1	Contribution to climate change through Group and sector GHG emissions (Scopes 1, 2 and 3)	Negative environmental impacts related to the GHG emissions of the Group and its value chain, both now and in the future, if the decarbonization pathway and climate change mitigation measures prove insufficient or ineffective (Scopes 1, 2 and 3).	Ⓘ−	ST
E1	Slower air traffic growth due to rising ticket prices, stricter regulations, higher taxes and changing consumer habits	Slower air traffic growth due to behavioral changes in certain geographic areas or stricter regulations. Implementation of regulations unfavorable to commercial and business aviation.	Ⓡ Transition	ST
	Topic 2. Access to raw materials and circularity of products and services			
E5	Investment to transition the Group to a circular model	Transitioning to a circular economy model requires investment in various initiatives. Failure to mitigate this risk could require Safran to reposition itself within the supply chain in order to implement more circular practices.	Ⓡ	MT
	Topic 3. Management of pollution, waste and substances of concern			
E2	Additional costs related to the substitution of certain chemical substances used in the product manufacturing process	Risk associated with the investment required to substitute certain chemical substances of concern or very high concern and to comply with regulatory requirements.	Ⓡ	ST
E2	Endangerment of worker and public health in the event of chemical discharges	Negative impact on the health of local populations in the event of chemical discharges in the vicinity of industrial sites (depending on the hazardous substances used), contributing to the occurrence of respiratory problems/diseases, cancers, premature deaths or other public health consequences.	Ⓘ−	ST
E2	Disruption of natural ecosystems due to pollution caused by Safran products	Disruption of natural habitats, cycles and behaviors, with an adverse impact on the health of species and negative consequences for flora and other ecosystems.	Ⓘ−	ST
E2	Effects on human health due to pollution caused by Safran products	Negative impact on the health of local communities, employees, value chain workers, customers and consumers in the event of pollution caused by the equipment built.	Ⓘ−	ST

Ⓘ+ Positive impact; Ⓘ− Negative impact; Ⓡ Risk; Ⓞ Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

ESRS #	IROs	Description	Type	Time horizon
	Topic 4. Health and safety & Quality of life at work			
S1	Business disruption, loss of performance and productivity due to the deterioration of working conditions at Group sites	Slowdowns, business interruptions or reduced productivity and attractiveness related to an increase in workplace accidents and occupational illnesses (severity and frequency) among employees and non-employees working on-site, with additional costs associated with resolving such incidents.	R	LT
S1	Penalties, legal action, compensation costs and business continuity risks in the event of failure to comply with occupational health and safety agreements and regulations	Criminal or administrative penalties, fines, legal action and litigation costs in the event of accidents, non-compliance with occupational health and safety regulations or a deterioration in the quality of life at work jeopardizing the health and safety of employees. Compliance costs related to occupational health and safety regulations. Business disruption or interruptions if sites are ordered to stop, slow down or modify their operations due to major non-compliance with occupational health and safety regulations.	R	ST
S1	Deterioration of the physical and mental health of employees due to poor working conditions or inadequate social protection	Endangerment of the physical and mental health and safety of employees. Impact of poor working conditions on employee satisfaction and increased absenteeism, affecting overall team well-being. Inadequate or non-existent social protection, particularly for vulnerable employee groups.	I−	ST
S1	Failure to respect the human rights of employees in the event of discriminatory practices or harassment in the workplace	Violation of the rights of employees subjected to discrimination or harassment in the workplace or in connection with their professional activity.	I−	ST
S1	Deterioration of employee health and well-being in the event of high turnover	Deterioration of employees' working conditions due to retention difficulties, leading to team disruption and longer onboarding and training periods for new employees, and affecting their motivation and commitment at a time of high activity.	I−	ST
	Topic 5. Diversity and inclusion			
S1	Damage to the employer brand and reputation due to a lack of diversity or proven or suspected incidents of discrimination or harassment	Difficulty in attracting and retaining talent in the absence of diversity and inclusion policies aligned with employee expectations, deterioration of workplace relations and loss of trust in management if preventive and corrective measures are not adopted. Deterioration of relationships with external stakeholders: damage to the company's image within the sector and in the media in the event of proven or suspected incidents of discrimination or harassment within the Group.	R	MT
	Topic 6. Attract & retain talent and develop skills			
S1	Socio-economic benefits for local communities through the maintenance or consolidation of local economic activity	Positive repercussions of the revitalization of regional economies and local communities, direct and indirect job creation, and action against regional desertification, industrial sites or commercial businesses that can drive employment in the region and create value for their ecosystem, skills development and stimulation of research and development in the region, and development and strengthening of the social fabric through support for projects and social initiatives that foster social cohesion.	I+	ST
S1	Development of the employability of employees and value chain workers through the Group's training activities	Development of the employability of employees through the high-level training offered by the Group, mobility opportunities within the Group, and the certifications awarded. Contribution to the upskilling of sector workers (upstream and downstream) and their employability and mobility, made possible indirectly by Safran's training efforts. Contribution to greater professional stability for employees and value chain workers by guaranteeing them a level of training that allows them to secure sustainable employment and a satisfactory wage.	I+	ST
S1	Decline in the Group's attractiveness in the event of a deterioration in the image of the aviation sector	Increased recruitment difficulties related to perceptions of the aerospace industry, perceptions being an important driver of attractiveness for young talent, affecting the Group's performance if the aviation sector fails to address current challenges, thereby casting doubt on its viability.	R	LT
	Topic 7. Quality of social dialogue			
S1	Disruption or even interruption of operations in the event of a deterioration in social dialogue	Slowdown, disruption or even stoppage of operations due to social unrest, resulting in a decline in productivity. Additional costs and lost revenue in the event of business interruption, management of production and delivery delays, customer compensation, etc.	R	ST

I+ Positive impact; I− Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

ESRS #	IROs	Description	Type	Time horizon
	Topic 8. Quality, safety of sold products and services			
S4	Reputational risk associated with the endangerment of the users of the goods and services sold	Damage to the Group's image and loss of stakeholder confidence in the event of perceived or proven risks to the health and safety of the passengers and end-users of Safran products and services. Difficulties in securing financing from banks and other financial institutions in the event of a major incident related to the use of products and services. Downgrading of the Group's non-financial ratings.	R	ST
S4	Financial risk associated with the consequences of mishandling a product safety incident or failure	Criminal or administrative penalties, fines, legal action and litigation in the event of the endangerment of consumers and users of the products and services sold. Business disruption or interruption if sites are ordered to stop, slow down or modify their operations due to major non-compliance with product and service safety and quality regulations.	R	ST
S4	Exposure of users to risks to their safety in the event of product or service failure	Accidents, serious injury or loss of life due to mechanical failure of aerospace or aviation equipment, lack of product maintenance or verification, design/manufacturing defects in the Group's products and services, or non-compliance with aerospace regulations.	I−	ST
	Topic 9. Customer relations and customer satisfaction			
S4	Financial risk associated with the deterioration of customer relationships and investor expectations	Stock market volatility, reduced availability of capital and reduced investor interest due to poor customer relationship management or insufficient measures taken by the Group to ensure customer satisfaction, leading to a loss of confidence among financial stakeholders.	R	ST
	Topic 10. Respect for human rights			
S2	Violations of the human rights of value chain workers in the event of failure in the Group's monitoring processes	Ineffectiveness or non-existence of prevention and control measures leading to the discovery of serious violations of the human rights of value chain workers attributable to the Group or its suppliers and subcontractors.	I−	ST
S2	Violations of value chain workers' freedom of association and collective bargaining rights	Failure to respect the rights of value chain workers to freedom of association or to recognize their right to collective bargaining, with particular risk to certain groups of more vulnerable workers and those working in countries where laws on social dialogue do not provide adequate protection.	I−	ST
	Topic 11. Innovation, support to research and scientific partnerships			
Entity-specific	Risk of technological decline and loss of competitiveness	Loss or reduction of the Group's competitive advantage due to the absence or inadequacy of patent protection, enabling other sector companies to replicate or imitate the technologies and innovations developed. Risk of scientific and technological impoverishment leading to a competitive disadvantage in the absence of research support and/or scientific partnerships.	R	LT
Entity-specific	Opportunity for Safran to leverage R&T, innovation and collaborative work outcomes	Many of the technologies used by Safran today come from outside the Group. For expensive technologies, partnerships could reduce the financial burden for Safran and be a source of competitiveness.	Op	ST
Entity-specific	Technological progress and knowledge development in the service of society and ecological transition	Innovation for the common good: search for solutions to improve public safety and address the challenges of climate change and sustainable mobility. Development and sharing of scientific and technological knowledge through partnerships with schools, universities, research centers, incubators and industrial chairs.	I+	ST
	Topic 12. Resilience and ESG performance of the supply chain			
G1	Financial risk associated with non-compliance with applicable regulations or poor ESG practices (particularly in terms of quality and safety) by suppliers and/or subcontractors	Fines, litigation or legal action in the event of failure by the Group to comply with its supply chain responsibility obligations, as well as additional costs related to compliance with supply chain responsibility laws.	R	ST
G1	Reputational risk associated with non-compliance with regulations or poor ESG practices by suppliers and/or subcontractors	Damage to the company's reputation in the event of illegal labor practices or adverse environmental impacts within the value chain, potentially undermining customer and investor confidence and limiting access to certain types of tenders and public contracts, which could have a negative impact on its long-term financial performance. Corrective measures and communication actions would be required to rebuild trust and restore the company's image, which could result in additional expenses.	R	ST

I+ Positive impact; I− Negative impact; R Risk; Op Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

ESRS #	IROs	Description	Type	Time horizon
G1	Improvement of the social and environmental performance of the value chain	Ability of the Group to engage the value chain through the sharing of best practices, stricter regulations, and better supplier and subcontractor selection. Its critical mass can enable the Group to drive sector-wide improvements in working conditions, occupational health and safety, and the energy and environmental performance of products and services.	I+	MT
G1	Deterioration of performance due to poor supplier resilience resulting from insufficient partnership with the Group	Inadequate preparation of suppliers to meet the Group's needs, delaying transformation efforts and potentially requiring emergency resourcing to make up for the shortfall, at a very high cost for the Group. High levels of supplier financing and insufficient supply chain security to respond in times of crisis and during ramp-up periods.	R	ST
	Topic 13. Regulatory compliance and business ethics			
G1	Financial and operational risks arising from unethical practices, corruption or non-compliance with regulations	Criminal and administrative penalties, fines and litigation in the event of failure to comply with applicable regulations, additional costs to ensure compliance with applicable regulations, or due to non-compliance with applicable national regulations, as well as business disruption or interruption if sites are ordered to halt, slow down or modify their operations due to major regulatory non-compliance, including the need for investigations or audits, or the indictment of key managers.	R	ST
G1	Negative impact on whistleblowers reporting unethical practices in the absence of protection measures	Negative impact in the event of retaliation against whistleblowers who report unethical practices within the Group.	I–	ST
	Topic 14. Cybersecurity and protection of personal data			
G1	Risk of financial loss and business disruption due to cybersecurity incidents or personal data breaches	Financial losses in the event of total or partial shutdown or slowdown/ disruption of operations due to system interruptions, investment in cybersecurity software and technological processes, loss of defense-related government contracts due to non-compliance with cybersecurity regulations or a leak of sensitive confidential data, and loss of competitive advantage due to intellectual property theft, resulting in revenue loss and an impact on the company's viability.	R	ST
G1	Damage to customer and supplier security and privacy due to data breaches or theft	Theft of customers' personal information: the compromising of the sensitive personal information of Safran's customers could lead to privacy violations, financial fraud and security concerns.	I–	ST
G1	Violation of national security through the disclosure or theft of classified information related to the country's defense	Weakening of national defense capabilities and threat to military operations, risk to the security of armed forces and deterioration of diplomatic relations.	I–	ST

I+ Positive impact; I– Negative impact; R Risk; Op Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

5.1.1.4.3 Disclosure Requirements in ESRS covered by the Safran's Sustainability Statement

[IRO-2]

The disclosure requirements covered by this Sustainability Statement are listed in a table of contents in section 5.1.6.1. In application of ESRS 1-35, this Sustainability Statement also includes a table of requirements deriving from other European Union legislation, as listed in Appendix B of ESRS 2, in section 5.1.6.2.

Safran's double materiality assessment concluded that the ESRS standards on information regarding aquatic and marine resources (E3), biodiversity and ecosystems (E4) and affected communities (S3) were not material. Material impacts, risks and opportunities, and the way in which their materiality has been assessed, are presented in section 5.1.1.4.1.

Not all the material ESRS data points are applicable. Although these ESRS are material, the application of information materiality or the related IROs reduces the number of data points relevant to Safran.

Information specific to the non-materiality of the "Biodiversity" topic

[E4.IRO-1 17a, b, c, d, e (i, ii and iii)] [E4.IRO-1 19a, b]

Under its double materiality analysis, Safran examined the "biodiversity" topic through consultation with its internal and external stakeholders, and by taking into account specific analysis work conducted by the Group on this topic. To assess the subject in accordance with the requirements of the double materiality analysis, this examination considered the risks, impacts and opportunities relating to its business activities and sites, and also to its upstream and downstream value chain.

Both impact materiality and financial materiality analyses revealed degrees of dependencies and impact considered "moderate", leading to the conclusion that biodiversity is not a material topic for the Group within the meaning of the CSRD.

The Group monitors not only the impacts but also the financial risks and opportunities regarding biodiversity.

5.1.2 Environment

5.1.2.1 Climate and decarbonization challenges (mitigation and adaptation) - ESG Topic 1 (ESRS E1)

5.1.2.1.1 Governance

[E1-1 14] [E1-1 16i] [ESRS 2 MDR-P 65c]

Safran's climate strategy is aligned with the aviation industry's roadmap, which aims to achieve net-zero carbon emissions for global civil aviation operations by 2050. Safran committed to this "Fly Net Zero by 2050" goal in 2021, together with the main aviation industry players gathered in the Air Transport Action Group (ATAG). This goal was adopted by the Member States of the International Civil Aviation Organization (ICAO) at the ICAO Assembly held in 2022.

With its strategic position in a wide range of aeronautics systems, including all aircraft energy systems, the Group is a core provider of technological solutions to decarbonize aviation. Decarbonizing its products and operations is therefore one of Safran's two key strategic focuses. The Group has set up an adapted governance structure to help it respond to the challenges that climate change represents for Safran. The Group's commitment to the climate is supported at the highest level of the organization.

Role of the Board of Directors

The Board of Directors approves Safran's overall business strategy set and proposed to it by Safran's executive management teams and oversees its implementation, in accordance with the Company's best interests and taking into account the social and environmental aspects of its activities. Sustainability topics are taken into account directly at the level of the Board of Directors, integrated upstream into the work of all of the Board Committees and reviewed collaboratively within the Board through reports drawn up by the Committee Chairs (see section 2.3.3).

The Board of Directors has three specialized committees (the "Board Committees"), which all play a role in the Group's climate commitment:

- the **Innovation, Technology & Climate Committee,** which monitors the objectives, trends, developments, progress and general direction of the roadmaps related to the Group's main environmental topics. Since 2021, this Committee's work has included examining and issuing opinions and recommendations about the climate strategy (which covers the transition plan) proposed by Executive Management, as well as the Group's climate action plan and climate metrics. The Committee is chaired by an independent director tasked specifically with monitoring climate topics (Patrick Pélata – see profile in section 2.2.2 of the Universal Registration Document). The strategic directions proposed by the Committee are approved by the Board of Directors, then presented at the Annual General Meeting. During 2024, the Committee's work was focused on the following points: (i) the climate strategy and the transition plan: the topics relevant to Safran and the related action plan, and decarbonization of the overall aviation industry; (ii) review of the list of climate data points for the purpose of CSRD reporting; (iii) hybridization for civil aviation; and (iv) the action plan for the non-CO_2 effects of aviation;
- the **Audit and Risk Committee,** which has overseen sustainability reporting since 2024, is tasked in particular with verifying the process for drawing up the Group's sustainability statements and for monitoring its risk management and internal control systems. The Risk and Insurance Director gives twice-yearly presentations to this Committee on the work carried out on identifying risks, as well as the Group's consolidated risk map and associated action plans. The Committee also reports to the Board on its risk-related work on a twice-yearly basis. During 2024, the Committee focused on the following points: (i) the process of drawing up and verifying sustainability information, in particular the review of the double materiality assessment, (ii) the tender process for the sustainability auditors put forward at the Annual General Meeting of May 23, 2024, and (iii) the draft Sustainability Statement;
- the **Appointments and Compensation Committee,** which is responsible for ensuring that the CSR performance objectives, including climate-related objectives, are taken into account in executive remuneration policies and packages. A portion of the Chief Executive Officer's annual variable remuneration is contingent on the achievement of these objectives, as are the performance shares granted under long-term incentive plans. Regarding its appointments remit, the Committee's selection criteria for new Directors includes candidates' experience and expertise in CSR matters. Lastly, the Appointments and Compensation Committee makes sure that the Board's annual assessment of its operating procedures addresses how CSR topics are taken into account by the Board and the CSR skills of each Director. For example, in response to a recommendation made in the Board's most recent assessment, the Directors were given specific training on climate topics in 2024, delivered by an independent firm.

The Board of Directors approves the climate strategy as proposed and recommended by the Innovation, Technology & Climate Committee. The related climate action plan is closely monitored by the Board, the Innovation, Technology & Climate Committee, and the Executive Committee.

Strategic roles of Management

[E1.GOV-3 13]

How climate topics are taken into account in the Group strategy and operations is overseen at several levels within the Group, and in particular by two committees comprising members of Safran's Executive Committee:

- The **Climate Steering Committee,** established in 2020 and chaired by the Chief Executive Officer, which includes members of the Group Executive Committee representing the main businesses involved in the various aspects of climate action, as well as the CEOs of tier-one entities. Its work is focused on reviewing Safran's strategy for decarbonizing both the overall aviation industry and its own operations. In particular, this Committee is responsible for approving (i) the objectives and roadmaps of the transition plan and, (ii) as from 2025, the climate change adaptation plan;

- The **Group Risk Committee,** chaired by the Chief Executive Officer, which brings together the directors of the central corporate departments, and is led by the Group Risk and Insurance Director. Twice a year, it reviews the identification, assessment and management of risks, and therefore the control of the major risks to which the Group is exposed, including risks related to climate change.

Strategic orientations decided on by these committees are implemented by the Group Sustainability Department. Responsibility for the implementation of the roadmaps and their follow-up falls to different bodies:

- **four committees of a more operational nature,** each chaired by two members of the Executive Committee, and a tier-one entity CEO. They adapt and implement Safran's climate strategy in the following areas: energy and low consumption, supply chain, employee mobility and use of sold products. A fifth operational committee was established in 2025 to address climate change adaptation topics;
- the operational management of actions is the responsibility of low-carbon project managers in the tier-one entities, as well as representatives in the business departments (purchasing, supply chain, energy, business travel, etc.);
- lastly, progress on the action plan is reviewed regularly by the Group Executive Committee.

Climate objectives factored into remuneration

[GOV-3] [E1.GOV-3 13]

The Group encourages members of Executive Management to take climate topics into consideration by including climate-related objectives in their remuneration policies. Annual variable remuneration for the Chief Executive Officer and certain other senior executives is partly contingent on the achievement of objectives related to implementing the climate strategy.

Long-term remuneration

The Board of Directors considers that the long-term incentive system – which comprises performance share grants and applies to the Chief Executive Officer and other key positions within the organization – 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. The vesting of all the performance shares granted to the Chief Executive Officer, as well as to the members of the Executive Committee and other senior executives, is subject to the achievement of internal and external performance conditions, including conditions related to non-financial performance. The overall weighting for non-financial performance conditions, including climate-related performance conditions, is 20%.

These performance conditions, which are applicable to all beneficiaries of performance shares, are assessed over three full consecutive fiscal years, including the year of grant.

The non-financial performance conditions include an objective to reduce Scope 1 and 2 CO_2 emissions[1], which has a 10% weighting.

Annual variable remuneration

The Chief Executive Officer's annual variable remuneration is contingent on achieving economic and individual, financial and non-financial, quantitative and qualitative performance objectives, which are aligned with the Group's overall business. Under the Chief Executive Officer's remuneration policy for 2024, non-financial climate-related objectives made up 10% of the overall objectives set for his annual variable remuneration.

The specific climate-related objectives taken into account for setting his 2024 annual variable remuneration were:

- continue to take steps to achieve the action plan target to reduce Scope 1 and 2 CO_2 emissions by 30% by 2025 compared to 2018, aiming to complete 95% of the action plan by 2024;
- continue to take steps to achieve the target to reduce Scope 1 and 2 CO_2 emissions by 50% by 2030 compared to 2018, taking into account the Group's growth;
- ensure that the Group's sites become increasingly energy efficient by achieving the Energy Management System Gold Standard;
- pursue the Group's Energy Efficiency Plan to reduce its worldwide energy consumption by 10% in 2024 compared to 2019, taking into account the Group's growth;
- mobilize our suppliers to become more low-carbon, ensuring that our Top 400 suppliers have Scope 1 and 2 CO_2 emissions reduction targets and that they have communicated these.

The two other environmental objectives underlying the Chief Executive Officer's annual variable remuneration for 2024 were based on (i) implementing the new CSRD reporting requirements and (ii) increasing the recycling of titanium, with the target of returning a certain percentage of potential titanium chips to suppliers.

For a detailed analysis of the structure and amounts of the Chief Executive Officer's remuneration, see section 2.6.2.2, "Compensation policy for the Chief Executive Officer" and section 2.6.3.2, "Compensation and benefits of the Chief Executive Officer for 2024".

The specific climate-related objectives set in the Chief Executive Officer's annual variable remuneration policy for 2025 are presented in section 2.6.2.2.

(1) Scope 1: Direct GHG emissions linked to the combustion of energy sources such as gas, liquefied petroleum gas and aviation fuel, as well as refrigerant emissions during the production phases at Safran sites. Scope 2: indirect emissions linked to the consumption of energy, electrical power or heating/cooling at Safran sites.

5.1.2.1.2 Strategy

Safran's integration of climate topics into its strategy includes topics related to the transition to a low-carbon model, and climate change adaptation. Concerning the climate change adaptation plan, see section 5.1.2.1.4.

Note that Safran received the maximum A rating in the CDP climate questionnaire in 2024, for the second consecutive year, recognizing the Group's leadership in environmental transparency and its commitment to addressing the climate challenge. The annual CDP (formerly known as the Carbon Disclosure Project) environmental disclosure and rating process is recognized as a global benchmark for corporate environmental transparency and action plans on climate change awareness and risk mitigation.

Transition plan for climate change mitigation

[E1-1] [E1-1 14]

Objectives

[E1-4 AR25a] [E1-4 34e, 16 a] [E1-4 AR25b] [E1-4 AR30 c] [ESRS 2 MDR-T 80a] [ESRS 2 MDR-T 80h] [E1.IRO-1 AR12d]

Safran is fully committed to the Paris Agreement, which set the goal of keeping global warming well below 2°C and, if possible, limiting it even further to 1.5°C, by the end of the century compared to pre-industrial levels. The Group's strategy, impacts, risks and opportunities are therefore examined in light of the various climate scenarios presented in *section 5.1.2.1.3*, in particular the Waypoint 2050 sector-based scenario established by the ATAG, which aims to achieve net zero CO_2 emissions for global civil aviation by 2050 (the "Fly Net Zero" goal).

Based on an analysis of these scenarios, Safran has set the following targets:

- Scopes 1 and 2:
  - reduce CO_2 emissions (hereinafter referred to as "emissions") by 35% between 2018 and 2025, and by 50.4% between 2018 and 2030, a target consistent with a 1.5°C global warming scenario. At the end of 2024, the 2025 target was revised to reflect Safran's ambition, from a 30% reduction to a 35% reduction compared with 2018;
- Scope 3:
  - reduce Scope 3 emissions related to the use of sold products by 42.5% per available seat kilometer by 2035 versus 2018 (a target consistent with the minimum SBTi requirement for alignment with a "well below 2°C" global warming scenario), thus contributing to the overall objective of net-zero carbon emissions for global civil aviation operations by 2050 (ATAG Waypoint 2050 scenario);
  - regarding Scope 3 emissions related to purchased goods and services: engage Safran's Top 400 suppliers in meeting the Paris Agreement commitments, i.e., to achieve emissions reductions in line with the objective of keeping global warming well below 2°C and, if possible, limiting it even further to 1.5°C;
  - reduce Scope 3 emissions related to business travel and employee commuting by 50% by 2030 versus 2018.

2018 was chosen as the earliest base year to take into account the emissions of the former Zodiac Aerospace, acquired by Safran that year.

The targets were set by the Executive Committee, approved by the Board of Directors and presented to the Group's stakeholders via various channels (e.g., the Annual General Meeting, employee representative bodies and the Safran website). They are also included in the Global CSR framework agreement (see section 5.1.1.3.1).

SBTi-validated targets

[E1-1 16a] [ESRS 2 MDR-M 77b]

In 2023, the Science-Based Targets initiative (SBTi) validated Safran's emissions reduction targets, covering direct emissions (Scope 1) and indirect emissions deriving from the energy consumption of the Group's operations (Scope 2), as well as emissions related to the use of its sold products (Scope 3), as being compatible with the warming scenarios indicated for each target.

Safran's emissions reduction targets that have been validated by the SBTi for the period commencing from the 2018 base year are set out in the table below. The target validated by the SBTi for Scopes 1 and 2 is compatible with limiting global warming to 1.5°C, in accordance with the Paris Agreement.

EMISSIONS REDUCTION TARGETS VALIDATED BY THE SBTI

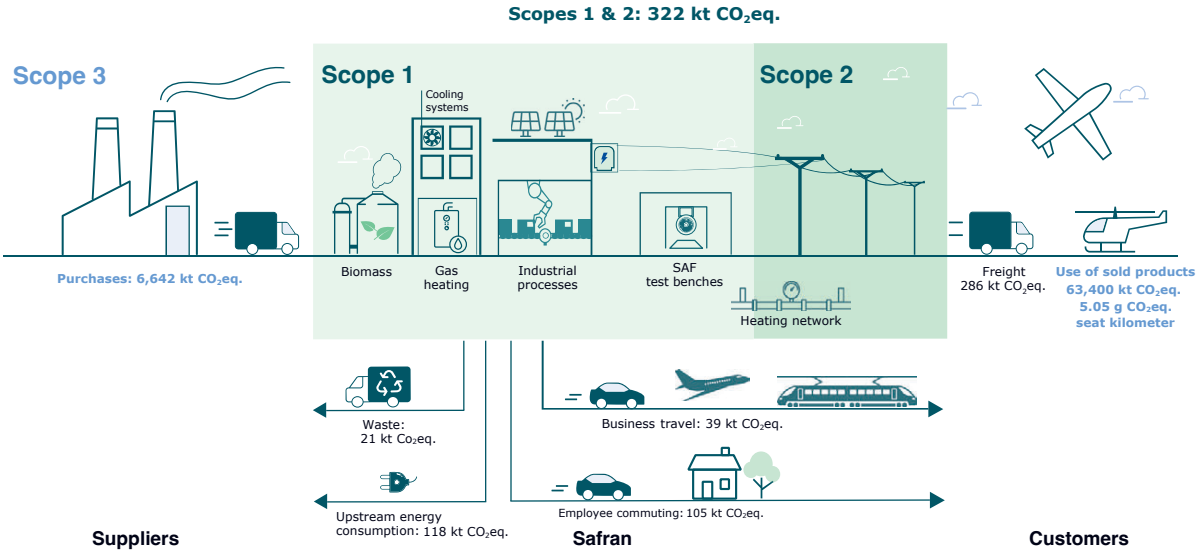
	Scope	Base year	Type	Target reduction	Target year	Validated by the SBTi
Short-term target	Scopes 1 and 2	2018	Absolute	-50.4%	2030	Yes – 1.5°C
Short-term target	Scope 3 – Use of Sold Products – Category 11 of the GHG Protocol[1] [2]	2018	Intensity	-42.5%	2035	Yes – WB2C[3]

(1) Greenhouse Gas Protocol.
(2) Safran is committed to reducing its direct emissions and indirect emissions related to the use of sold products by 42.5% per available seat kilometer by 2035 compared with 2018 (see section 5.1.2.1.6 for definitions of direct use-phase/indirect use-phase emissions of sold products).
(3) WB2C – "Well Below 2°C": This target is consistent with the minimum SBTi requirement for alignment with a global warming scenario well below 2°C, with reference to the Paris Agreement international commitment.

Decarbonization levers and progress to date

[E1-1 16b] [E1-1 15] [E1-3 29a] [E1-3 28] [E1-3 29b] [ESRS 2 MDR-A 68a] [ESRS 2 MDR-A 68b] [E1-4 34f, 16 b] [E1-4 34e, 16a]

BREAKDOWN OF SAFRAN'S EMISSIONS THROUGHOUT ITS VALUE CHAIN



Scopes 1 and 2

Scope 1 and 2 emissions are emissions that are directly controlled by Safran within the scope of its operations. The pie chart below shows a breakdown of the levers for achieving the target of reducing Scope 1 and 2 emissions by 50.4% by 2030 versus 2018, as well as the progress made to date.

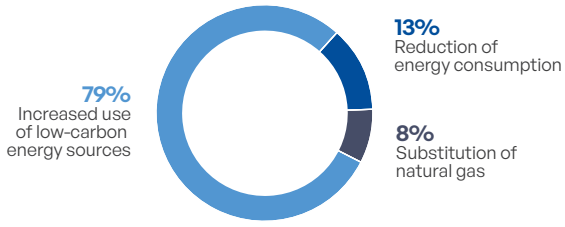
The Group has structured its action plan for reducing its Scope 1 and 2 emissions around the following strategic priorities:

- reduction of energy consumption;
- substitution of natural gas;
- increased use of renewable energies.

The chart below shows a breakdown of contribution of decarbonization levers to meeting the target of a 50.4% reduction in Scope 1 and 2 emissions by 2030, i.e. from 578,677 tCO_2 in 2018 to 287,024 tCO_2 by 2030:

CONTRIBUTION OF SCOPE 1 AND 2 DECARBONIZATION LEVERS

[E1-4 AR31]



NB: The percentages shown above represent the contributions to achieving the 2030 target expected from each lever as at the date of this report, and apply to total emissions without taking into account any reduction actions.

Reduction of energy consumption

- To increase the energy performance of new buildings, specific rules have been put in place for tertiary and industrial activities. These rules, which apply to the construction of all new projects, sites and buildings, are designed to ensure that no natural gas is used other than that required for production, and that emissions related to energy consumption in the operating phase are close to zero.
- To intensify and accelerate the reduction of site energy consumption, an internal energy management system based on ISO 50001 has been rolled out at Safran sites. This system has three levels of maturity (bronze, silver and gold). is used to monitor and improve the energy performance of the Group's industrial tools and processes. A network of energy management officers has also been created across the various entities, with local representatives at each site. An energy committee combining a range of skills is led by the Climate and Environment and Industrial Performance Departments to share tools, methods, best practices and feedback.

  In 2024, 76% of the Safran sites concerned had achieved gold status, representing 93% of the Group's global energy consumption.

- The Energy Efficiency Plan, launched in 2022, focuses on reducing the absolute value of energy consumption at Safran sites and improving the energy performance of our operations. The initial target of reducing gas and electricity consumption by 10% in 2024 compared with 2019[1] at sites in Europe has been extended to all sites worldwide. Examples of the measures adopted under this plan include switching off equipment at the end of shifts, and better temperature control at sites. A "Green IT" plan has also been set up with a view to reducing emissions from digital devices and services. And an e-learning platform called the *Sustainability Academy* was launched in 2024 to raise employees' awareness about everyday eco-friendly actions they can take to contribute to the Group's energy efficiency objectives and, more broadly, help combat climate change.

  In 2024, the energy management system and energy efficiency plan enabled Safran to reduce the gas and electricity consumption at its global sites by 11% compared with 2019.

Substitution of natural gas

- Safran is accelerating the introduction of alternatives to natural gas for heating by taking measures such as connections to heat networks, moving from gas to electricity for heat production in countries with a low-carbon electricity mix, using geothermal energy, and recovering waste heat (i.e., heat generated by a process whose primary purpose is not energy production).

  In 2024, several such projects were brought into service in France, including connecting up to heat networks in Dijon and Le Havre), moving from gas to electricity in Caudebec, Plaisir and Nexon, and recovering waste heat in Gennevilliers, Milmort and Bidos. A project has also been launched to install a geothermal energy system at the Villaroche site.

Increased use of renewable energies

- Safran is increasing the proportion of **decarbonized energy** in its energy mix by signing contracts for the supply of low-carbon energy through guarantees of origin for renewable electricity, Power Purchase Agreements (PPAs), and Virtual PPAs. These agreements cover between 70% and 100% of the electricity used at the sites located in the countries where the PPAs have been signed (Mexico, Poland, the United States and the United Kingdom). New PPA opportunities are currently being explored in Malaysia (to add to existing agreements), Morocco and Tunisia.
- Safran also sources supplies of **sustainable aviation fuel** (SAF) which is blended into the kerosene used for aircraft and helicopter engine approval tests at its Safran Aircraft site at Villaroche and its Safran Helicopter Engines sites at Bordes and Tarnos, all in France. In 2024, SAF purchases topped 2.5 million liters, accounting for an average 25% proportion in the fuel blend. Safran plans to increase the proportion of SAF to 35% in 2025.
- In addition to the decarbonized energy supply contracts mentioned above, Safran uses solar and/or wind power for the **production and self-consumption of renewable energy** at a large number of its sites around the world.

  In 2024, 27 GWh was generated by facilities installed at Group sites in Australia, Belgium, China, France, Malaysia, Morocco, Singapore, Thailand, Tunisia, the United States and the United Kingdom. New facilities were brought into service in 2024, including a wind power facility at the Milmort site in Belgium, and solar power facilities at Colomiers and Villemur sur Tarn in France, Chihuahua in Mexico, Hyderabad in India, and Grand Prairie in the USA.

In 2024, the proportion of purchased and self-generated energy in our overall energy mix was 17%.

Scope 3

In 2024, 99.5% of Safran's total emissions were Scope 3 emissions.

Analysis of the Scope 3 emissions categories listed by the GHG Protocol resulted in seven of the 15 categories being classified as significant for the Group:

1. Purchased goods and services;
2. Upstream emissions related to energy consumption;
3. Upstream transportation;
4. Waste generated in operations;
5. Business travel;
6. Employee commuting;
7. Use of sold products.

In 2024, Safran continued its work on developing and implementing operational roadmaps to reduce emissions in these categories. The work carried out to date is presented below in order of priority.

Use of sold products

Reducing the carbon footprint of commercial flights is a key priority in Safran's commitment to contribute to the decarbonization of the aviation industry. As part of its strategy to reduce emissions associated with the use of its sold products, Safran has for several years been committed to improving the energy efficiency of aircraft, thereby contributing to the reduction of emissions in the aviation sector.

To achieve these targets, Safran devotes considerable effort to Research and Technology (R&T) and has set itself the target of allocating at least 75% each year of its self-funded R&T expenditure to improving the environmental impact of its products[2]. In 2024, this percentage was 88.5%. In addition to self-funding its R&T efforts, the Group receives French and European subsidies through the CORAC (Conseil pour la Recherche Aéronautique Civile) and the European Commission's Clean Aviation program.

The improvement in environmental impact relates especially to decarbonization and the reduction of product energy consumption, product weight (and therefore of resource consumption, indirectly contributing to the reduction of aircraft consumption) and noise. Its work chiefly concerns propulsion, electrification, lightweight equipment and the use of sustainable fuels. Its roadmap strongly contributes to a technological breakthrough in the form of an aircraft that consumes 30% less fuel than today's most efficient aircraft, therefore helping to achieve net zero emissions by 2050.

(1) As 2019 is the base year for the French government's national energy savings plan, Safran has used the same date.

(2) Self-funded R&T expenditure corresponds to gross research and technology costs recognized as expenses, less products recognized in respect of client funding and subsidies (excluding research tax credit).

In addition to the fleet renewal (gradual replacement of A320ceo by A320neo and B737 by B737 Max for example) and the gradual incorporation of sustainable aviation fuels, which contribute to the 2035 target, the three main levers for reducing Scope 3 emissions related to the use of sold products are:

- continue to improve the energy efficiency of aircraft fleets by developing the technologies for the development of new ultra energy-efficient aircraft;
- develop all the technologies for electrified aircraft propulsion;
- enable increasing use of sustainable aviation fuel (SAF).

Develop the technologies for creating new ultra energy-efficient aircraft

As part of the transition to decarbonization, Safran is focusing on the development of technologies that enable a significant reduction in energy consumption when its products are used. 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. The objective is to achieve a breakthrough in fuel efficiency by developing an engine that delivers a reduction of over 20% in fuel consumption compared with the latest-generation LEAP engine (which is itself 15% to 20% more efficient than the CFM56, the previous generation engine). Future engines and equipment developed as part of the RISE program will also be compatible with SAF.

The Open Fan system developed as part of the RISE program is considered the most promising engine architecture for enabling the aviation industry to reach its sustainability goals. In 2024, more than 200 hours of wind tunnel testing were conducted at the ONERA aerospace lab, using a 1:5 scale model of an Open Fan to test the aerodynamic and acoustic performance of Open Fan designs. As part of these tests, a version of the model was mounted on a demonstrator plane wing section for joint testing with Airbus. Key tests were successfully completed on fan acoustics, aerodynamics, blade ingestion, the high-speed, low-pressure turbine, and electrical hybridization, the latter being one of the key technologies that the RISE program is pioneering.

At the same time, Safran has built a full-scale prototype of a low-pressure rapid compressor for the future Open Fan engine of the RISE program, which will be tested in 2025 at the Group's new compressor test center in Herstal, Belgium. This 3,000 sq.m. BeCOVER facility, which is designed to test all types of compressors, was inaugurated in December 2024.

Safran is also contributing to improving the efficiency of future aircraft by making aircraft equipment more lightweight using new materials (composites, ceramics, etc.) and additive manufacturing. In 2024, it continued to ramp up its center of excellence dedicated to additive manufacturing – the Safran Additive Manufacturing Campus (SAMC) – and manufactured its first serial production engine parts using this technology (14 product references).

Thanks to all its actions in these areas, Safran will play a major role in reducing the consumption of the aircraft of the future. Taken together, the contributions of aircraft equipment suppliers and aircraft manufacturers could lead to a reduction of around 30% in fuel consumption for the aircraft of the future compared with the current generation.

Develop all the technologies for electrified aircraft propulsion

Safran's expertise across the entire energy chain has made it a leader in hybrid and full-electric architectures. The Group works collaboratively with players such as Aura Aero, Archer, Voltaero and Electra in the field of electric propulsion. A major milestone was passed in 2024 with the completion of certification work on the ENGINeUS 100 electric engine, which, in early 2025, received the first approval for an electric aircraft motor from the European Union Aviation Safety Agency (EASA).

In 2024, EcoPulse – the hybrid-electric distributed propulsion aircraft demonstrator, developed jointly by Daher, Safran and Airbus with funding from the French Civil Aviation Authority (DGAC), concluded its flight test campaign, delivering crucial insights for the air transport decarbonization by 2050 goal. Six Safran ENGINeUS electric engines were used by EcoPulse. This collaborative project, which is emblematic of the French aerospace sector, has provided unique experience in the design, certification, production and operation of hybrid-electric aircraft.

Enable increasing use of sustainable aviation fuel (SAF)

In addition to the technologies described above for improving aircraft energy efficiency, the use of sustainable aviation fuel is imperative in all scenarios for decarbonizing the industry. Currently, commercial aircraft use jet fuel derived from fossil resources (oil). There are several categories of sustainable aviation fuel that have significantly lower emissions over their life cycle (from manufacture to combustion) than conventional jet fuels. SAFs include:

- **advanced biofuels**: these use complex biomass from a variety of sources, especially organic waste such as wood (forestry residues) or waste oil. They differ from first-generation biofuels, which are made from so-called energy crops (corn, rapeseed, soy, etc.);
- **synthetic fuels** known as power-to-liquid or eFuels: these are produced using low-carbon electricity by combining CO_2 captured from the air or in industrial facilities and hydrogen mainly produced by water electrolysis.

These two types of fuel are very similar to existing jet fuel in terms of their characteristics and can be used in existing aircraft if blended with conventional jet fuel. Depending on the production pathway current certification allows aviation fuel to contain up to 50% SAF. Safran and its partners are working towards removing all technical barriers to ultimately allow for fuel to contain up to 100% SAF.

In 2024, major R&T work was carried out under the partnership set up with TotalEnergies on determining the future formulations of sustainable aviation fuel. This work paved the way for the two entities' objective of submitting to the ASTM (American Society for Testing and Materials) ballot process in 2025 a quality specification that enables 100% SAF incorporation.

Safran also actively supports the development of a sustainable aviation fuel production industry. Through Safran Corporate Ventures, it has invested in a number of companies to contribute to the removal of the technological barriers to the production of SAFs. For example, in 2021 the Group invested in German startup Ineratec, specialized in the development of synthetic fuels. Then in 2023, it invested in Avnos, an American startup specializing in direct air capture of CO_2. CO_2 capture is a critical technological building block in the production cycle of synthetic aviation fuels (e-fuels), which require CO_2 and low-carbon hydrogen.

To complement its existing portfolio of decarbonization investments (Ineratec and Avnos), in 2024, Safran Corporate Ventures invested in the United Airlines Ventures Sustainable Flight Fund, which is dedicated to identifying and supporting innovative startups offering technological building blocks for SAF projects.

Safran was one of the driving forces behind the creation of the European Renewable and Low Carbon Fuels Value Chain Industrial Alliance (the RLCF Alliance) and since then has chaired the Alliance's "Aviation pillar". Within this organization, Safran is actively contributing to the development of a sustainable aviation fuel production industry in Europe. The RLCF Alliance coordinates more than 250 members along the entire value chain to encourage investment in new production facilities in Europe.

Safran's purchases of sustainable aviation fuel for the fuel blends used in aircraft and helicopter engine approval tests contribute to decarbonization of its activities and provide support for the sector as a whole, as does its voluntary participation in airline SAF programs.

In September 2024, Safran, Turbotech and Air Liquide completed ground demonstration testing of a hydrogen-fueled gas turbine aircraft engine based on an ultra-efficient regenerative cycle and fed from a liquid hydrogen tank (BeautHyfuel project). Safran is also working on a fuel cell solution (membranes, cells) for propulsion systems. In the shorter term, prior to the potential arrival of these technologies on the market, the massive development of low-carbon hydrogen is essential for reducing the environmental footprint of aviation as it is a crucial building block for producing sustainable fuel.

NON-CO_2 EFFECTS OF AVIATION

In addition to CO_2, aircraft engines also emit particles, water vapor, sulfur compounds and nitrogen oxides. Depending on weather conditions and air humidity levels, particles, and, in particular, water vapor, can cause persistent contrails. Non-CO_2 emissions can have both warming and cooling effects.

These effects are currently difficult to quantify but climate scientists estimate they have a net warming impact overall.

For several years now, Safran (especially the Safran Aircraft Engines teams) has been working on understanding the effects of non-CO2 emissions, particularly contrails. It has also taken part in modeling these effects through the scientific partnerships it has set up (research chairs and dedicated research projects), such as the Climaviation chair in France created with Onera and Institut Pierre-Simon Laplace (IPSL), and the industrial chair in Canada created with Polytechnique Montréal and L'École Technologique Supérieure de Montréal.

In addition to modeling, Safran took part in numerous in-flight tests and measurements in 2023 and 2024 with the VOLCAN (VOL avec Carburants Alternatifs Nouveaux) project, in collaboration with Airbus, TotalEnergies, Onera and other partners, using an A321neo equipped with CFM Leap engines, to measure the impact of fuel composition on contrails. Safran also participated in the CirrusH2 project aimed at assessing the potential impact of hydrogen technologies on the formation of contrails.

A new project (Moscitoo) bringing together industry players (Safran, Airbus, TotalEnergies) and laboratories (CERFACS, MétéoFrance, Onera, IPSL, etc.) was launched in 2024 to continue work on modeling the various impacts associated with contrails.

Also in 2024, Safran invested in French startup Estuaire, which has developed in-depth expertise to help its partners and customers more effectively understand the non-CO_2 effects of aviation and the associated models. Its technology platform features data fusion and the use of cloud computing to incorporate various aviation data streams, including flight radar tracks, digital weather predictions, passenger load factors, and several climate and flight physics models.

Safran communicates publicly about the non-CO_2 effects of aviation, and holds discussions and works in cooperation with all of the industry's players. For example, it signed the joint statement by the CTOs of aerospace industry leaders released at the 2024 Farnborough International Airshow which stressed the importance of accelerating efforts to understand and reduce aviation's non-CO_2 effects. It also took part in specialist roundtables during the year, organized by international organizations such as EASA and the ICAO, and presented its work to the Group's employees during a day dedicated to innovation.

Purchased goods and services: Mobilizing suppliers

In 2022, Safran launched the "TOP400" initiative to encourage the 400 suppliers who contribute the most to the Group's carbon footprint (representing around 80% of Scope 3 emissions related to its purchased goods and services) to commit to an emissions reduction pathway aligned with the Paris Agreement's target of keeping global warming well below 2°C, and, if possible, limiting it even further to 1.5°C.

Safran's roadmap for achieving this objective is focused on three main action points:

- encourage suppliers to commit to a carbon reduction pathway: in 2024, more than 70% of the Group's Top 400 suppliers had set and communicated targets for reducing their Scope 1 and 2 emissions. Each of these suppliers must complete a maturity questionnaire and submit a decarbonization action plan;
- exchange with our Top 400 suppliers to improve knowledge of the emissions associated with the purchase of goods and services;
- incorporate emissions reduction approaches into the entire purchasing process, particularly in the supplier selection process.

In line with its supplier engagement objective, Safran organized its third Safran Supplier Day in June 2024. During this event, three suppliers were rewarded for their decarbonization innovations.

Online training is available for suppliers, including a tool for calculating emissions and another for setting emissions reduction targets. To support this approach internally, online training is provided to buyers to give them the experience and tools to support suppliers.

Transportation

In 2024, the Group continued to identify the means at its disposal to reduce the carbon intensity of freight activities. The main decarbonization levers identified are: streamlining logistics flows (grouping companies on shared routes), switching from air to sea freight and using sustainable fuels.

Business travel

In 2024 the Group continued to roll out its action plans aimed at (i) reducing emissions in partnership with travel providers (airlines, car rental companies, taxi companies, hotels, etc.), (ii) making employees aware of and responsible for the impact of their travel (reason for travel, choice of mode of transport, return from assignments, etc.), and (iv) ensuring that the fuel used for employee air travel contains a proportion of sustainable aviation fuel. It also pursued its partnership with Air France-KLM in 2024 for purchasing and incorporating sustainable aviation fuels into its operations.

Employee commuting

In 2024, it pursued its action plans in this domain by (i) continuing to switch its company vehicle fleet to electric vehicles and encouraging employees to do the same for their own cars by providing EV charging points, particularly in France (1,500 charging points installed in France at end-2024) as well as access to free or low-cost charging, and (ii) encouraging collective mobility (shuttle buses at certain Safran sites), shared transport (carpooling, carsharing) and soft mobility (sustainable mobility payment, long-term bicycle rental offer). Working from home also reduces emissions linked to commuting, and remote working arrangements are in place within Safran entities in France and worldwide.

Locked-in emissions

[E1-1 16d]

Scopes 1 and 2

Locked-in Scope 1 and 2 emissions mainly derive from fossil-fuel-powered stationary industrial equipment, the company vehicle fleet and refrigerant gases used in air-conditioning systems. They are referred to as "locked-in" emissions because they are associated with assets that have a long lifespan and require investment to decarbonize them.

Quantitative analysis of locked-in Scope 1 and 2 emissions currently has limitations as data on energy consumption is collected by site and consolidated for all Group installations, and not at the level of the specific equipment (future consumption and emissions).

Consequently, the Group's analysis of Scope 1 and 2 locked-in emissions remains mainly qualitative for 2024 and its aim is to improve the granularity of the data in the future.

Safran's transition plan incorporates measures to reduce locked-in Scope 1 and 2 emissions, including improving the energy efficiency of the machines and processes used (e.g. advanced thermal insulation for furnaces), recovering heat from manufacturing processes, gradually replacing natural gas with low-carbon alternatives, increasing the use of renewable energies, and switching the service vehicle fleet to electric vehicles. As a result of all these measures, locked-in Scope 1 and 2 emissions do not currently present any major risk of jeopardizing the Group's target for reducing its Scope 1 and 2 emissions by 2030. For further information about the Scope 1 and 2 action plan and progress to date, see section 5.1.2.1.2.

Scope 3

Scope 3 locked-in emissions mainly relate to the use of sold products.

In accordance with the GHG Protocol and the principles discussed within the International Aerospace Environmental Group (IAEG), Safran presents emissions resulting from the use of its products in two sub-categories, for which the methodology used is similar:

- direct use-phase emissions of sold products;
- indirect use-phase emissions of sold products.

Compliant with the CSRD definition of locked-in emissions (see E1-1 AR 3.b), Safran reports locked-in emissions as emissions directly generated by sold products during their use phase, i.e., propulsive systems products (engines, engine subsystems and nacelles) emissions. These emissions amounted to 18 $MtCO_2eq$ in 2024 (see section 5.1.2.1.6 for further information on the calculation method).

Safran's transition plan includes measures to reduce locked-in Scope 3 emissions associated with the use of sold products, such as the rapid deployment of the latest generation LEAP engine, the gradual introduction of sustainable aviation fuels and the preparation of technologies for the development of new ultra-efficient aircraft. Based on all of these measures and the assumptions applied by Safran in its decarbonization scenario, Scope 3 locked-in emissions do not currently pose any major risk of jeopardizing the 2035 target of reducing Scope 3 emissions linked to the use of sold products. For further information on the Scope 3 action plan, see section 5.1.2.1.2.

Financing

[E1-1 16c] E1-1_04], [E1-1_05] and [E1-1_06]

CapEx and OpEx required for implementation of the action plan[1]

The significant CapEx and OpEx required to implement the Group's transition and adaptation plans presented below are included in its medium-term financial plan (MTP).

Scopes 1 and 2

Safran has selected the key emissions savings actions it needs to carry out in order to achieve the reduction targets it has set itself, as well as the key adaptation measures.

For Scopes 1 and 2, capital expenditure amounts to around €330 million and operating expenses to approximately €200 million. The data disclosed covers the time horizon of the medium-term plan (2024-2028). This horizon is extended to 2030 (deadline for the Scope 1 and 2 emissions reduction target) when a low-carbon energy supply contract is in place that covers up to that year.

CapEx is disclosed based on a commitment rather than expensed basis.

These amounts do not include expenditure dedicated to decarbonization actions within the scope of CapEx aimed at increasing the Group's production capacity, or CapEx commitments prior to 2024 (e.g., installation of solar panels in France for €15 million in 2023).

Scope 3 – Use of sold products

Safran discloses its self-financed R&T expenditure on its technology decarbonization roadmap.

This expenditure is calculated based on (i) actual figures for the reporting year, and (ii) the target proportion of self-financed R&T expenditure for environmental efficiency, i.e., 75% of the forecast amount. For 2024, this represented 88.5% of total R&T expenditure.

R&T expenditure also has positive external impacts, such as noise reduction for example.

Self-financed R&T expenditure for environmental efficiency amounts to approximately €3.1 billion for the period 2024-2028.

In addition, around 40% of the Safran Corporate Ventures portfolio is focused on decarbonization.

Scope 3 – Upstream, business travel and employee commuting

CapEx and OpEx amounts for other Scope 3 categories are not material.

Information on the Paris-Aligned Benchmarks

[E1-1 16g]

Safran is not excluded from the Paris-aligned Benchmarks based on the main exclusion criteria defined in Article 12 of the delegated regulation. Safran is fully committed to the Paris Agreement, which set the goal of keeping global warming well below 2°C and, if possible, limiting it even further to 1.5°C, by the end of the century compared with pre-industrial levels.

Alignment of the transition plan with the Group's strategy and financial planning

[E1-1 16h] [E1-1 17]

The decarbonization of air transport is Safran's main climate challenge. As an engine and equipment manufacturer operating in the aerospace sector, Safran has made the decarbonization of aviation one of the two pillars of its strategy alongside sovereignty, and a central part of its core purpose. "Thanks to the commitment of its employees, proven innovation and operational excellence, Safran designs, builds and supports high-tech solutions to contribute to a safer, more sustainable world, where air transport is more environmentally friendly, comfortable and accessible..." (see key decarbonization levers and actions presented in section 5.1.2.1.2).

Safran has included in its medium-term financial plan (MTP) the significant CapEx and OpEx required to implement the Group's transition and climate change adaptation plans (see section titled "CapEx and OpEx required for implementation of the action plan").

(1) Complexity of estimating decarbonization lever CapEx and OpEx: all costs presented are estimates based on current levers expected to be implemented. Implementing these levers remains complex and may require additional levers to be put in place as part of future strategic planning.

5.1.2.1.3 Management of impacts, risks and opportunities – Metrics and targets

Material impacts, risks and opportunities and their interaction with strategy and business model

[E1.SBM-3] [E1.SBM-3 18]

Climate change presents a twofold challenge for Safran in terms of:

- the impact of climate change on the Group's activities, in most regions of the world;
- the impact of the Group's activities on climate change. Safran contributes to greenhouse gas emissions both directly through its industrial operations, purchases, freight, etc., and indirectly through customers' use of its products, particularly in the aviation sector.

Safran has identified two types of risk:

- **physical risks** resulting from damage caused directly by extreme weather and climate events. These risks could endanger the safety of employees and cause damage to the Group's facilities. The exposure of Safran's sites and their value chains to these risks is largely dependent on their geographic location;
- **transition risks** stemming from economic, regulatory, labor and social changes in relation to the fight against climate change. This could include new taxes, regulatory measures to reduce the use of air transport, loss of market share or loss of attractiveness of the industry for investors or of Safran if more competitive products for decarbonization are developed by competitors.

The time horizons used for the identification, assessment and management of impacts, risks and opportunities are defined as follows:

- **short-term**: covers a period of one year from the end of the reporting period. It corresponds to the rollout of actions whose finance has been secured;
- **medium-term horizon**: extends up to four years from the end of the reporting period. It corresponds to the rollout of actions whose financing has been secured under the medium-term plan MTP but which have not yet been fully deployed;
- **long-term**: beyond four years from the end of the reporting period. It corresponds to the definition in the Group's R&T roadmap and to its strategic pathways that extend beyond five years.

See the IRO table in section 5.1.2.1.3 for details on risks.

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

[ESRS 2 IRO-1] [ESRS 2 IRO-1 53a] [ESRS 2 IRO-1 53c (ii and iii)] [ESRS 2 IRO-1 53d] [ESRS 2 IRO-1 53e] [ESRS 2 IRO-1 53f] [ESRS 2 IRO-1 53g] [ESRS 2 IRO-1 53h] [E1.IRO-1 AR15]

The potential climate-related impacts, risks and opportunities are based on the Group's ESG topic, "Climate and decarbonization challenges (mitigation and adaptation)".

The double materiality assessment identified seven risks and two material negative impacts for Safran (the list of these IROs is presented below in section 5.1.2.1.3).

See section 5.1.1.4 for details on the IRO identification process.

The Group's strategy, impacts, risks and opportunities related to climate change are analyzed based on different climate scenarios:

- sector-specific scenarios, both global (ATAG Waypoint 2050, aiming for carbon neutrality in the civil aviation industry by 2050) and European (Destination 2050, aiming for a 55% reduction in emissions by 2030 compared with 1990);
- International Energy Agency (IEA) scenarios for aviation: the Sustainable Development Scenario, compatible with warming of less than 2°C, and the Net Zero 2050 Scenario, compatible with warming capped at 1.5°C;
- the global warming scenario of between 2 and 3°C by 2100 (Representative Concentration Pathways scenario – RCP 4.5) defined by the Intergovernmental Panel on Climate Change (IPCC).

These scenarios provide a framework for Safran to assess impacts, risks and opportunities, estimate the probable impacts and improve compliance in general, while at the same time taking a proactive approach to managing climate-related risks and opportunities.

The table below details the climate scenarios used by Safran for identifying transition risks and climate change adaptation risks and for drawing up its roadmap. They are reviewed on a regular basis to confirm their relevance. For example, a new analysis of physical climate risks was launched towards the end of 2024, based on the new IPCC scenarios SSP 2-4.5 and SSP 5-8.5 (see section 5.1.2.1.4)[1].

(1) *SSP: Shared Socio-economic Pathways.*

ANALYSIS OF CLIMATE SCENARIOS USED

[ESRS 2 IRO-1]

Scenario	Description of scenario	Input data and scenario constraints
Transition scenarios: IEA Net Zero (NZE) by 2050 IEA Sustainable Development Scenario (SDS)	Source: International Energy Agency (IEA) Temperature alignment: 1.5°C or less Result of the analysis: Scope 1 and 2 emission reduction targets for 2025 and 2030, and introduction of an internal carbon price	To determine its **Scope 1 and 2** emission reduction targets, Safran used the IEA's Net Zero 2050 and Sustainable Development Scenario (SDS). Using the sector decarbonization approach, Safran has developed pathways up to 2050. Safran has thus set a first milestone containing medium-term targets for 2025 and 2030, with a base year of 2018, using the absolute contraction method(1) issued by the Science Based Targets initiative (SBTi), which has validated the Group's pathway for 2030. Using the IEA's World Energy Outlook, and in particular the SDS (1.6°C warming scenario), the Group was able to estimate the increases in energy costs and carbon taxes that it might have to pay between now and 2040, and what impact these increases could have on its activities. This analysis also enabled Safran to identify the impact on its main suppliers. It was used as a basis to help the Group set its Scope 1 and 2 emissions reduction targets, and to introduce an internal carbon price for capital expenditure projects, such as new buildings or extensions to existing facilities, as well as for capital expenditure related to energy efficiency.
Transition scenarios: IEA Net Zero (NZE) by 2050 IEA Sustainable Development Scenario (SDS) ATAG Waypoint 2050 Destination 2050	Source: International Energy Agency (IEA) and Air Transport Action Group (ATAG), Destination 2050 Alliance Temperature alignment: below 2°C Result of the analysis: Scope 3 emission reduction target related to the use of sold products	To define its **Scope 3 emission reduction target related to the use of products sold,** Safran relied notably on the IEA's Net Zero 2050 and Sustainable Development Scenario (SDS), but also on the ATAG Waypoint 2050 (World) and Destination 2050 (Europe) sector scenarios. In 2021, Safran joined the other aviation sector players of the ATAG in making a commitment to achieve carbon neutrality for civil aviation worldwide by 2050. The Group has therefore set itself the ambitious target of reducing its emissions linked to the use of its products by 42.5% per available seat kilometer by 2035 versus 2018, representing an average annual reduction of 2.5%. This target has been validated by the SBTi. It is based on an assumption, among others, that SAFs will be gradually incorporated in line with the pathway in the IEA's 2020 SDS. Safran's target is aligned with the minimum SBTi requirement for a global warming scenario below 2°C (straight-line annual reduction of at least 2.5%).
Physical risk scenario: Representative Concentration Pathway (RCP) 4.5	Source: IPCC Temperature alignment: between 2°C and 3°C Result of the analysis: impacts on sites and adaptation measures to be implemented	To study the impact of climate change on its sites and define the appropriate **adaptation measures,** Safran used the Intergovernmental Panel on Climate Change (IPCC) RCP 4.5 scenario to establish long-term pathways to 2050. This longer time horizon means it can identify significant trends in physical climate variables at its sites. The risks caused by climate change, such as forest fires, cyclones, extreme heat and floods, could result in damage to the Group's sites, endanger the safety of its employees, and/or jeopardize its business continuity. The exposure of Safran's sites and their value chains to these risks depends on their location.

(1) The absolute contraction method aims to reduce a company's emissions regardless of its growth, i.e., in absolute terms and not relative to its revenue. In other words, it commits the company to reducing its total emissions, regardless of fluctuations in its production or business.

Material impacts, risks and opportunities

[ESRS 2 MDR-P 65a]

The IROs identified in the double materiality assessment concern both physical risks (disruption of operations due to climate events, uninsurability of operations) and transition risks (inability to meet climate commitments, higher energy costs, compliance costs, lower air traffic growth). The overall impact will depend on the Group's contribution to climate change.

MATERIAL IROS RELATING TO CLIMATE CHANGE

[ESRS 2 MDR-P 65a]

ESG topic 1

Climate and decarbonization challenges (mitigation and adaptation)

IROs	Description	Type	Time horizon	Policies related to IROs
Business disruption due to climate-related events affecting infrastructure and the value chain, resulting in service interruption risk	Disruption to the production or marketing of products and services due to extreme weather events in the value chain, with direct and indirect impacts on the company's operations.	(R) Physical	ST	Adaptation
Inability to meet stakeholder expectations and reputational damage in the event of failure to meet climate commitments or lack of ambition in the decarbonization strategy	Deterioration of relationships with the different stakeholders, as decarbonization is central to Safran's communicated strategy, with significant consequences for the company's operations.	(R) Transition	LT	Transition
Increased energy costs, especially for low-carbon energy	Additional costs in the event of an increase in the cost of the energy required for the Group's operations and its value chain, particularly in the transition to low-carbon energy sources, which may be volatile or require additional investment.	(R) Transition	ST	Transition
Compliance costs and penalties in the event of failure to meet or comply with climate-related commitments and regulations	Fines and litigation costs in the event of failure to comply with international climate and energy performance commitments and agreements, or due to the entry into force of new laws. Write-offs, asset impairments or early retirement of existing assets due to the tightening of climate change mitigation regulations.	(R) Transition	MT	Transition
Uninsurability of operations due to climate-related risks	Absence of insurance coverage for the Group or reduction of its coverage and/or increased insurance costs for operations in countries highly exposed to the consequences of climate change.	(R) Physical	LT	Adaptation
Endangerment of value chain workers at sites exposed to the effects of climate change	Endangerment of value chain workers at sites exposed to the effects of climate change.	(I–)	LT	Adaptation
Amounts invested in decarbonization and financial losses due to decisions to invest in unsuitable technologies	Amounts invested in innovation and R&T to decarbonize own operations and the sector, financial risks associated with investments in disruptive technologies that may prove unsuitable, and other costs incurred to decarbonize own operations and the value chain, and to implement proactive measures to reduce the carbon footprint of the value chain.	(R) Transition	LT	Transition
Contribution to climate change through Group and sector GHG emissions (Scopes 1, 2 and 3)	Negative environmental impacts related to the GHG emissions of the Group and its value chain, both now and in the future, if the decarbonization pathway and climate change mitigation measures prove insufficient or ineffective (Scopes 1, 2 and 3).	(I–)	ST	Transition
Slower air traffic growth due to rising ticket prices, tighter regulations, higher taxes and changing consumer habits	Slower air traffic growth due to behavioral changes in certain geographic areas or stricter regulations. Implementation of regulations unfavorable to commercial and business aviation.	(R) Transition	ST	Transition

(I+) Positive impact; (I–) Negative impact; (R) Risk; (Op) Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

Resilience analysis

[E1.SBM-3 19a] [E1.SBM-3 19b E1.SBM-3_03 and E1.SBM-3_04] [E1.SBM-3 AR7b] [E1.SBM-3 19c] [E1.SBM-3 AR8b]

As mentioned above, as a global industrial player, Safran is exposed to the effects of climate change from various perspectives:

- transformational changes in economic, social and political landscapes due to the transition to low-carbon economies, which could impact production processes and operating costs, as well as products themselves and customer demand (transition risks);
- more frequent occurrence of extreme weather events (floods, storms, heat waves, etc.) that could damage Group assets and disrupt production and logistics chains (physical risks).

Understanding and anticipation of these effects in order to mitigate the risks and seize the associated opportunities are integrated into the Group's strategy at various levels:

- research and development efforts are focused on developing innovative products and processes with a lower environmental impact, which contributes in a practical way to limiting the Group's exposure to transition;
- the Group has made emissions reduction commitments enabling it to contribute to global emissions reduction efforts and therefore limit its exposure to transition risks.

With a view to structuring its policy for managing climate change impacts, in 2019 Safran updated its overall approach for assessing climate risks for its assets, industrial processes and logistics. The underlying aim of the approach is to objectify and quantify the potential consequences of climate change risks for Safran and then to identify the appropriate ways of managing them. This means that the Group can test and improve the resilience of its activities, gradually adapting its choices (CapEx, locations, insurance strategy, etc.) and its operating procedures.

The resilience analysis was carried out over a time horizon up to 2050, based on different scenarios (see sections 5.1.2.1.3 and 4.3.2.4).

In late 2024, Safran launched a new analysis of physical climate risks at all its sites in order to confirm or update its resilience analysis over the much longer-term (see section 5.1.2.1.4). and section 4.3.2.4).

5.1.2.1.4 Climate change mitigation and adaptation

Policies

[ESRS 2 MDR-P 65e] [ESRS 2 MDR-P 65f]

Safran takes its stakeholders' expectations into account in constructing, deploying and improving its sustainability approach. Attention to stakeholders is key to ensuring sustainable growth and long-term value creation (see section 5.1.1.3), and contributes to enhancing climate change policies.

Climate change mitigation policy

[ESRS 2 MDR-P] [E1-2 24 MDR-P 01-06] [ESRS 2 MDR-P 65a] [ESRS 2 MDR-P 65b] [ESRS 2 MDR-P 65d]

Safran's climate change mitigation policy is a key component of the Group's overall business strategy. The targets set in this policy are part of the Group's global drive to narrow its environmental footprint, and in particular to reduce its carbon emissions, with the aim of:

- reducing its environmental impact by designing products and services that are more efficient throughout their life cycle, supporting the aviation sector's transition in line with the objectives of the Paris Agreement;
- reducing the emissions from its production activities, notably by reducing its energy consumption, and those from its supply chain by bringing its suppliers onto the same progress pathway.

Safran's transition plan (see section 5.1.2.1.2) covers all of its decarbonization targets and levers.

Climate change adaptation policy

The Group's climate change adaptation policy provides for business continuity plans (BCPs) to be put in place in order to, among other things, prepare for the physical risks of climate change, protect workers, visitors and all essential operations, and ensure that the Group remains operational despite extreme weather events. This policy is based on best practices in terms of operational resilience, which are overseen by the Industrial, Purchasing and Performance department, and involves regular communication with local teams as well as dedicated training.

Description of the processes to identify and assess climate-related physical risks

[E1.IRO-1 20b] [E1.IRO-1 AR11a] [E1.IRO-1 AR11b] [E1.IRO-1 AR11c] [E1.IRO-1 AR11d] [E1.IRO-1 21] E1.IRO-1 AR13 and AR14]

Safran's risk map identifies the physical risks associated with climate change, such as extreme weather events (see section 4.3.2.4).

At the end of 2019, Safran conducted an analysis of physical climate risks up to 2050 based on a global warming scenario of between +2 and +3°C by 2100 (IPCC RCP 4.5 scenario), for 208 Group sites in 15 different countries. Six types of physical risk were analyzed: sea-level rises, water stress, heat waves, cyclones, floods and fires. The analysis enabled the Group to identify sites with a high overall climate risk with this classification taken into account in the Group's risk management process.

In late 2024, the Group updated its analysis of physical climate risks, extending it to cover virtually its entire scope. It covered the time horizons up to 2030, 2050 and 2090 and was based on two global warming scenarios for 2100 defined by the IPCC, i.e., between +2 and +3°C (SSP2-4.5 scenario) and between +4 and +5°C (SSP5-8.5 scenario). The climate hazards considered relate to temperature (heat waves, cold waves, wildfires, etc.), wind (storms, cyclones, tornadoes, etc.), water (sea-level rises, water stress, hail, flooding, drought, etc.) and ground movement (landslides, etc.).

The materiality of each climate risk also depends on the vulnerability of each site to the risk concerned. The Group began its vulnerability assessment towards the end of 2024, through interviews, and will continue the process in 2025 via local studies for certain critical sites. The results of the updated assessment of physical climate risks will be gradually incorporated into the risk maps of the Group, its companies and its sites.

Based on its double materiality assessment, Safran has concluded that the water and marine resources ESRS disclosure requirement (E3) is not material. Some of the Group's sites are located in areas subject to water stress. In 2024, the volume of water consumed by sites located in areas subject to water stress was 769,663 cu.m.

To strengthen the resilience of its business model, Safran intends to continue building a climate change adaptation plan, which will gradually involve its sites as well as its value chain. With the support of specialized partners, the Group is currently drafting guidelines for drawing up adaptation plans, broken down by type of risk.

Actions and resources in relation to climate change policies

[ESRS 2 MDR-A] [E1-3 28 MDR-A_01-12]

The actions related to climate change that are included in the transition plan are described in section 5.1.2.1.2.

Regarding actions related to climate change adaptation, the Group has implemented a number of measures to limit physical climate risks, including:

- business continuity plans (BCPs), backed by a representative per company in charge of coordinating the process at company-level. The aim of a BCP is to guarantee a certain degree of continuity of the Group's essential operations in an environment disrupted by a major climate event, and to enable operating conditions to return to normal as quickly as possible. The BCP process is coordinated at Group level by the Industrial, Purchasing and Performance Department, and is regularly reviewed at site level;
- Safran is also deploying a "major risks" roadmap, which takes into account physical climate risks in light of the increasing frequency and intensity of climate events. Since 2023, "emergency response data sheets" have been provided to the Group's sites (they previously existed in the form of data sheets included in the sites' Crisis Manuals). These data sheets set out the rules and measures to be taken during episodes of heat stress, flooding, pollution or drought in order to protect the health of employees and the safety of property;
- for example, the Group has launched initiatives to secure roofs at its sites that are the most exposed to the risk of hail;
- in addition, sites that are exposed to the risk of extreme weather events (such as floods or storms) draw up procedures for securing the site and building up emergency inventories.

[ESRS 2 MDR-A 68d] [ESRS 2 MDR-A 68c] [ESRS 2 MDR-A 69a] [ESRS 2 MDR-A 69b] [ESRS 2 MDR-A 69c]

See section 5.1.2.1.2, Transition Plan for details of CapEx/OpEx dedicated to climate change mitigation and adaptation.

[E1-3 AR21]

The Group uses CapEx and OpEx to achieve the goals of its transition and adaptation plan and takes these expenditures into account in its financial forecasts.

Metrics and targets

[E1-4] [ESRS 2 MDR-T] [E1.MDR-T] [E1-4 32] [E1-4 33] [E1-4_34a, b E1-4_02, E1-4_04, E1-4_07, E1-4_10, E1-4_13, E1-4_05, E1-4_08, E1-4_11, E1-4_14, E1-4_03, E1-4_06 and E1-4_17]

The main transition plan-related targets set by the Group and progress made towards achieving those targets are described in sections 5.1.2.1.2 and 5.1.2.1.6.

Concerning its targets related to climate change adaptation, the Group intends to set its priorities during 2025 after completing its analysis of physical climate risks that is currently in process.

[E1-4 34b] [E1-4 34a]

Safran's emissions reduction targets have been identified and set based on a full GHG inventory that covers the most significant emissions categories (Scopes 1 and 2, Scope 3 use of sold products) as well as the categories for which the Group's employees can take decarbonization action (Scope 3 business travel and commuting). In 2024, these targets covered 90% of the Group's emissions.

In addition, Safran has set a target to mobilize its Top 400 suppliers in order to address Scope 3 emissions related to purchased goods and services (see section 5.1.2.1.2).

See Breakdown of Safran's emissions throughout its value chain diagram in section 5.1.2.1.2.

5.1.2.1.5 Energy consumption and mix

[ESRS 2 MDR-M] [ESRS 2 MDR-M 75] [E1-5] [E1-5 37] [E1-5 37a] [E1-5 37b] [E1-5 AR34] [E1-5 37c] [E1-5 37c i, ii and iii] [E1-5 AR34] [E1-5 38] [E1-5 38a] [E1-5 38b] [E1-5 38c] [E1-5 38d] [E1-5 AR34] [E1-5 39 E1-5_16 and E1-5_17]

Summary table of energy consumption and mix

SUMMARY TABLE OF ENERGY CONSUMPTION

Type of energy source	Energy source	2024
Fossil sources	Natural gas – LPG *(MWh LHV)*	896,554
	Coal *(MWh LHV)*	0
	Light fuel oil *(MWh LHV)*	13,005
	Aviation fuel *(MWh LHV)*	142,168
	Heavy fuel oil *(MWh PCI)*	86
	Other energy sources (bought steam, energy from waste, etc.) *(MWh)*	21,368
	Purchased non-renewable electricity from fossil fuels *(MWh)*	226,809
	Total energy consumption from fossil sources *(MWh)*	**1,299,991**
	Share of fossil sources in total energy consumption *(%)*	55%
Nuclear sources	**Total energy consumption from nuclear sources** *(MWh)*	**473,797**
	Share of nuclear sources in total energy consumption *(%)*	20%
Renewable sources	Renewable electricity *(MWh)*	538,110
	of which purchased renewable electricity *(MWh)*	319,248
	of which self-generated renewable electricity *(MWh)*	26,545
	Consumption of fuels from renewable sources, including biomass and biogas *(MWh LHV)*	46,972
	Total energy consumption from renewable sources *(MWh)*	**585,081**
	Share of renewable sources in total energy consumption *(%)*	25%
TOTAL ENERGY CONSUMPTION *(MWh)*		**2,358,869**

[E1-5 40] [E1-5 41] [E1-5 43]

According to Commission Delegated Regulation (EU) 2022/1288, which defines the high climate impact sectors listed in Annex I, sections A to H and section L, of Regulation (EC) 1893/2006 of the European Parliament, Safran's activities are mainly carried out in the following high climate impact sectors:

- manufacture of instruments and appliances for measuring, testing and navigation (26.51);
- manufacture of other electrical equipment (27.90);
- manufacture of air and spacecraft and related machinery (30.30);
- electrical installation (43.21).

The Group's total energy consumption can then be used to calculate the energy intensity in relation to the Group's net revenue, as reported in the consolidated financial statements.

ENERGY INTENSITY TABLE

Energy intensity per net revenue	2024
Energy intensity of activities in high climate impact sectors (total energy consumption divided by net revenue) *(MWh/€ millions)*	85
Total energy consumption from activities in high climate impact sectors *(MWh)*	2,358,869
Net revenue consumed *(in € millions)* (January 1-December 31)	27,716

Breakdown of energy production, consumption and sales

[ESRS 2 MDR-M 77a]

At several of its sites, Safran produces more energy than it consumes. Energy produced on-site, broken down into energy self-consumed and sold, is shown in the table below.

ENERGY BREAKDOWN (CONSUMPTION AND SALES)

[ESRS 2 MDR-M 77a]

Energy source	2024
Total renewable electricity produced on site *(MWh)*	**26,545**
of which self-consumption *(MWh)*	25,386
of which sold *(MWh)*	1,158
Total non-renewable electricity produced on site *(MWh)*	**12,310**
of which self-consumption *(MWh)*	12,310
of which sold *(MWh)*	0

5.1.2.1.6 Gross Scopes 1, 2 and 3 emissions and Total emissions

[ESRS 2 MDR-M] [ESRS 2 MDR-M 75]

Recap of emissions

[E1-3 29b] [E1-6 AR46d] [E1-6 44] [E1-6_50] [E1-6 AR52] [E1-6 48a] [E1-6 AR48b] [E1-4 34]

A summary of Safran's emissions in 2024 is provided in the table below, compared against 2023 and the base year (2018).

SUMMARY TABLE OF EMISSIONS VS BASE YEAR AND TARGETS

[E1-6 AR48]

	Retrospective				Milestones and target years		
	2018 (base year)	2023	2024	2024/2018 change	2025	2030	2035
SCOPE 1 EMISSIONS							
1-1. Direct emissions from stationary combustion sources	197,653	156,545	160,771	-18.7%			
1-2. Direct emissions from mobile combustion sources	3,527	2,322	2,707	-23.2%			
1-3. Direct emissions from physical or chemical processes	-	-	-	-			
1-4. Direct fugitive emissions	18,610	9,873	12,232	-34.3%			
Gross Scope 1 emissions *(tCO_2eq)*	**219,790**	**168,740**	**175,711**	**-20.1%**			
Percentage of Scope 1 emissions from regulated emission trading schemes *(%)*[1]	N/A*	N/A*	11.1%	N/A*			
SCOPE 2 EMISSIONS							
2-1. Indirect location-based emissions from electricity consumption *(tCO_2eq)*	374,449	267,573	291,927	-22.0%			
2-2. Indirect location-based emissions from the use of steam, heat or cooling *(tCO_2eq)*	8,737	3,330	4,101	-53.1%			
Gross location-based Scope 2 emissions[2] *(tCO_2eq)*	**383,186**	**270,903**	**296,028**	**-22.7%**			
2-1. Indirect market-based emissions from electricity consumption *(tCO_2eq)*	350,149	203,028	142,234	-59.4%			

	Retrospective				Milestones and target years		
	2018 (base year)	2023	2024	2024/2018 change	2025	2030	2035
2-2. Indirect market-based emissions from the use of steam, heat or cooling *(tCO_2eq)*	8,738	3,329	4,101	-53.1%			
Gross market-based Scope 2 emissions[3] *(tCO_2eq)*	**358,887**	**206,357**	**146,335**	**-59.2%**			
SCOPE 1 AND 2 EMISSIONS							
Gross location-based Scope 1 and 2 emissions *(tCO_2eq)*	602,976	439,643	471,739	-21.8%			
Gross market-based Scope 1 and 2 emissions *(tCO_2eq)*	578,677	375,097	322,046	-44.3%	376,140	287,024	
SIGNIFICANT SCOPE 3 EMISSIONS							
Total gross indirect (Scope 3) emissions *(tCO_2eq)*	**119,352,341**	**68,124,130**	**70,611,741**	**-40.8%**			
1. Purchased goods and services	4,961,000	5,780,000	6,642,000	+33.9%			
3. Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	118,591	103,705	118,073	-0.4%			
4. Upstream transportation	264,700	272,700	286,000	+8.0%			
5. Waste generated in operations	21,000	17,345	21,488	+2.3%			
6. Business travel	68,450	38,780	39,370	-42.5%		34,225	
7. Employee commuting	118,600	111,600	104,810	-11.6%		59,300	
11. Use of sold products[4]	113,800,000	61,800,000	63,400,000	-44.3%			
TOTAL EMISSIONS							
Total location-based emissions *(tCO_2eq)*	**119,955,317**	**68,563,773**	**71,083,480**	**-40.7%**			
Total market-based emissions *(tCO_2eq)*	**119,931,018**	**68,499,227**	**70,933,787**	**-40.9%**			
SCOPE 3 CATEGORY 11 EMISSIONS							
11. Use of products sold[4] – intensity value *($gCO_2eq/seat.km$)*	5.9	4.3	5.05	-14.7%			3.4

(1) The three sites covered by the Emissions Trading Scheme (ETS) have taken steps to exit the scheme, notably through projects to replace natural gas with alternative energy sources such as geothermal, electrification and waste heat recovery.

(2) The location-based method quantifies Scope 2 emissions based on average energy generation emission factors for defined geographic locations, including local, subnational, or national boundaries.

(3) The market-based method quantifies Scope 2 emissions based on the emissions from the producers from which Safran contractually purchases (i) electricity with bundled instruments, or (ii) unbundled instruments on their own, such as guarantees of origin or renewable energy certificates.

(4) Emissions related to the use of sold products in absolute value (tCO_2) or intensity value ($gCO_2eq/seat.km$) take account of the use of sustainable aviation fuel in the fuel blend (see section 5.1.2.1.6 Methodology note about the measurement of emissions).

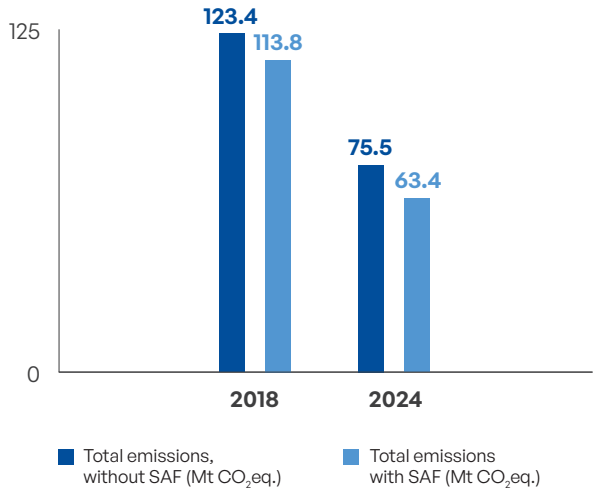
** N/A: Not available.*

NB:

- *The Scope 1 and 2 emissions of entities that are not consolidated by the Group in its financial statements but which are under its operational control and fall within the reporting scope have been included in the above table and not disclosed separately as they are not considered material (approximately 4% of total market-based Scope 1 and 2 emissions).*
- *Safran has set a single target for Scope 1 and 2 emissions. Within the scope of its operations and transition plan, Safran is undertaking decarbonization actions that could lead to a shift in emissions from Scope 1 to Scope 2 (for example where natural gas is replaced by electricity). The target for Scopes 1 and 2 has been validated by the SBTi as a single target. The Scope 1 and 2 emissions are very low (0.5% in 2024) with respect to overall scope 1, 2 and 3 emissions.*
- *For Scope 3 emissions related to the use of sold products:*
  - *Safran has set an intensity target measured in available seat kilometer, a standard unit that measures the carbon efficiency of Safran products by delivered aircraft capacity and distance flown. This target has been validated by the SBTi. The Group's choice of setting an intensity target and not an absolute value [ESRS E1-4 34] was based on (i) the relevance of this indicator in light of Safran's decarbonization levers and technological roadmap, which contribute to reducing emissions linked to the use of products, and (ii) Safran's contribution to aviation emissions reduction as aeronautics equipment supplier. Safran does report yearly Scope 3 emissions linked to the use of sold products in absolute terms.*

- *2024 was atypical: Boeing's deliveries went down sharply, resulting in a significant decrease in the volume of seat kilometers generated by aircraft delivered in 2024 compared with 2023. At the same time, Safran continued to deliver engines and equipment, which explains the slight increase in emissions related to the use of its sold products. These developments led to an increase in the intensity indicator expressed in gCO_2/seat kilometer compared with 2023. The intensity indicator would have decreased slightly compared with 2023 if Boeing aircraft deliveries had been as announced at the beginning of 2024. The 2024 intensity indicator was 14.7% lower than the 2018 base year.*

BREAKDOWN OF SAF INCORPORATION IMPACT ON SCOPE 3 USE OF SOLD PRODUCT EMISSIONS



Scope 2 emissions associated with the purchase of electricity through contractual instruments

[E1-6 AR45d E1-6_18 E1-6_19 E1-6_21 E1-6_22 and E1-6_23]

CONTRIBUTION FROM POWER PURCHASE AGREEMENTS

Electricity consumption covered by	2024
Purchase agreements without carbon-free energy requirements *(MWh)*	**880,769**
Related certificates[1] *(MWh)*	**27,238**
Emission gains *(tCO_2eq)*	3,704
Gross market-based Scope 2 emissions *(%)*	2.5%
Unrelated certificates[2] *(MWh)*	**192,610**
Emission gains *(tCO_2eq)*	88,659
Gross market-based Scope 2 emissions *(%)*	60.6%
Power Purchase Agreements (PPA)[3] *(MWh)*	**23,314**
Emission gains *(tCO_2eq)*	14,758
Gross market-based Scope 2 emissions *(%)*	10.1%
Other renewable energy purchase agreements[4] *(MWh)*	**76,085**
Emission gains *(tCO_2eq)*	33,845
Gross market-based Scope 2 emissions *(%)*	23.1%

(1) Energy attribute certificates purchased as part of a power purchase agreement.
(2) Energy attribute certificates purchased independently of a power purchase agreement.
(3) Long-term agreements with a renewable energy producer for the direct purchase of electricity from new production facilities.
(4) Agreements that do not meet all the criteria of a PPA but are equivalent.

List of Scope 3 emissions categories included in the inventory

[E1-6 AR46i E1-6_27]

Analysis of the Scope 3 emissions categories listed by the GHG Protocol resulted in seven of the 15 categories being classified as significant for the Group:

- 1. Purchased goods and services;
- 3. Fuel- and energy-related activities;
- 4. Upstream transportation;
- 5. Waste generated in operations;
- 6. Business travel;
- 7. Employee commuting;
- 11. Use of sold products.

List of Scope 3 emissions categories excluded from the inventory

[E1-6 AR46g]

Based on an analysis of the Scope 3 emissions categories listed by the GHG Protocol, 8 of the 15 categories have been excluded as they were considered not applicable to, or not significant for, the Group:

- **2. Capital goods:** most emissions associated with the purchase of fixed assets are already reported in the purchased goods and services category (category 1 of Scope 3). Emissions associated with fixed assets that are not included in the purchased goods and services category are estimated at less than 0.1% of total Scope 3 emissions and are therefore not material;
- **8. Upstream leased assets:** as emissions associated with assets leased by Safran are already reported under Scopes 1 and 2, this category is not applicable;
- **9. Downstream transportation and distribution** this category is limited to the transportation of goods from Safran entities to their customers, paid for by those customers. This scenario is not frequent and is not currently taken into account;
- **10. Processing of sold products:** as Safran supplies products or systems that do not require transformation, the operations carried out by our customers consist mainly of assembly or installation. These emissions are estimated to represent less than 0.4% of total Scope 3 emissions and are therefore not material;
- **12. End-of-life treatment of sold products:** Safran's products are mainly made of metal and composite materials. Emissions associated with their end-of-life are estimated at less than 0.02% of total Scope 3 emissions and are therefore not material;
- **13. Downstream leased assets:** asset leasing is not part of Safran's business model, this category is therefore not applicable;
- **14. Franchises:** as Safran does not have franchises, this category is not applicable;
- **15. Investments:** emissions linked to Safran's capital expenditure are estimated at less than 0.1% of total Scope 3 emissions, and are therefore not material.

Breakdown of Scope 1 and Scope 2 emissions by geographic area

[E1-6 AR41] [E1-6 49a, 52a] [E1-6 49b, 52b] [E1-6 44, 52a] [E1-6 44, 52b]

BREAKDOWN OF SCOPE 1 AND SCOPE 2 EMISSIONS BY GEOGRAPHIC AREA

Geographical area	Gross Scope 1 (tCO_2eq)	Gross Scope 2 – location-based (tCO_2eq)	Gross Scope 2 – market-based (tCO_2eq)
Europe	94,629	69,411	26,820
Americas	52,908	119,597	50,177
Africa and Middle East	3,676	20,162	19,401
Asia and Oceania	24,498	86,859	49,937

Summary table of emissions intensity per net revenue

[E1-6 53] [E1-6_30 and E1-6_31] [E1-6 AR55 E1-6_33 E1-6_34 and E1-6_35] [E1-6 55]

Safran's emissions intensity is calculated by dividing its annual Scope 1, 2 and 3 emissions by its net revenue from January 1 to December 31, as reported in the consolidated financial statements.

EMISSIONS INTENSITY PER NET REVENUE

Emissions intensity per net revenue	2023	2024	Year-on-year change
Total emissions (location-based) per net revenue *(tCO_2eq/€ millions)*	2,899	2,565	-11.5%
Total emissions (market-based) per net revenue *(tCO_2eq/€ millions)*	2,896	2,559	-11.6%
Net revenue consumed *(in € millions)* (January 1-December 31)	23,651	27,716	+17.2%

Methodology note about the measurement of emissions

[E1-6 47] [E1-6 AR42c] [E1-6 AR39b]

The disclosures related to Scope 1 and 2 emissions are made on a consolidated basis using the same reporting scope as that used for the Group's consolidated financial statements as presented in chapter 1.6 of the Universal Registration Document, and also include non-consolidated subsidiaries that are more than 50%-owned. In addition, the reporting scope for Scopes 1 and 2 emissions includes the following joint ventures over which Safran exercises operational management: Aero Gearbox International Poland, Aero Gearbox International, Ceramic Coating Center SAS, Snecma Hal Aerospace Private Limited, Airfoils Advanced Solutions SAS, Sichuan Services Aero-Engine Maintenance. For each entity, sites below the materiality threshold have not been included in the reporting scope. The reporting scope changed in 2024, with the inclusion of five sites following the acquisitions of Orolia, Syrlinks and the Thales Aeronautical Electrical Systems business.

The reporting scope for the various Scope 3 categories is set out below.

[E1-6 39b]

Emissions are classified as Scopes 1, 2 and 3 using the regulatory methodology for emissions accounting.

The reporting period is the calendar year from January 1 to December 31, 2024.

Scopes 1 and 2

Safran measures the carbon footprint of its activities and energy consumption on Scopes 1 and 2, in line with the general framework proposed by the GHG Protocol. The figures take into account the increase in business, which has a significant impact on electricity and gas consumption. Carbon accounting, common to all Group companies, is based on international standards, namely the GHG Protocol, the International Energy Agency (IEA), ISO 14064-1-2016 and ADEME.

Scope 1: includes direct emissions linked to the combustion of energy sources such as natural gas, liquefied petroleum gas, heating oil or diesel, heavy fuel oil and aviation fuel, as well as emissions related to refrigerant leaks during recharging at Safran sites. Direct emissions from biogas are also included in the Scope 1 calculation.

Scope 2: includes indirect emissions from the generation of purchased electricity, steam, heat or cooling consumed by the Group. The emission factor for electricity only takes combustion into account.

Scope 2 emissions are calculated using two methods:

- the **location-based method** corresponds to CO2 emissions calculated based on the average emission factors for the electricity networks in the countries in which Safran conducts business. These "country" emission factors are sourced from ADEME for the years 2018-2020 and from the IEA from 2021 onwards. They do not take into account the purchase of renewable electricity with guarantee of origin;
- the **market-based method**, which corresponds to emissions calculated based on the emission factors for the energy suppliers under contract with Safran, including guarantees of origin.

Scope 3

[E1-6 AR46h]

Scope 3 includes other indirect emissions that occur either upstream (purchased goods and services, business travel and employee commuting) or downstream (transportation and use of sold products) of Safran's activities.

Use of sold products

In accordance with the GHG Protocol and the principles discussed within the French Aerospace Industries Association (GIFAS) and the international Aerospace Environmental Group (IAEG), Safran calculated emissions resulting from the use of its sold products in two sub-categories, for which the methodology used is similar:

- **emissions directly linked to use of sold products**: for Safran, this corresponds to emissions linked to the use of products in the area of propulsion (engines or engine subsystems, and nacelles);
- **emissions indirectly linked to use of sold products**: these are emissions allocated to equipment and cabin interiors whose energy consumption is negligible, such as seats or landing gear. The use of this equipment is associated with emissions from the aircraft on which it is fitted, but the equipment itself is not the direct source of these emissions.

Calculating emissions requires numerous assumptions:

- The assessment was confined to the civil aviation sector (commercial aircraft, helicopters, large business jets). Safran's products in the general aviation (private aircraft) and military aviation sectors, as well as in other sectors (defense ships, armored vehicles, etc.) are not included in the Scope 3 "Use of sold products" measurements as they appear to be negligible (around 2.2% of reported emissions). Joint programs, in which Safran participates in the investments and shares in the profits, have also been taken into account to the extent of Safran's proportionate share. These contracts are called risk-and revenue-sharing partnerships.
- In accordance with the GHG Protocol methodology, emissions linked to the use of Safran's sold products, which are intermediate goods, are calculated by allocating a portion of the emissions from the aircraft (final products) on which the Group's products are fitted. Safran has elected to use a physical allocation ratio equal to the weight of its products over the weight of the aircraft. This ratio is used to assess the impact of the two areas where Safran is able to take direct technological action, i.e., improving engine fuel efficiency and reducing the weight of all products. Safran used the average aircraft weight as the reference weight for calculating the allocation ratio, rather than the operational empty weight. This provides a closer reflection of the operational reality and better aligns future improvements on Safran's Scope 3 emissions with airlines' Scope 1 emissions, which could be achieved by making equipment lighter. This assumption is also the one recommended by the French Aerospace Industries Association (GIFAS) following collaborative work within the aerospace sector to identify common methodologies.

- Assessing emissions from the use of Safran products therefore involves developing a scenario for the use of the aircraft on which these products are fitted, facilitating the estimation of the corresponding aircraft emissions. Safran assumes the **life of a commercial aircraft to be 22 years**, which is in line with the practices of its two main customers, Airbus and Boeing. Wherever possible, Safran has used external data (open-source fleet flight data). Given the large number of products, product families have been defined to simplify the calculation, corresponding to the most popular types sold by Safran and therefore the most representative.

Emissions associated with the use of sold products are therefore calculated using the following formula:

$$\text{Emission [Scope 3 – Use of sold products]} = \sum \text{E} \times \text{Number of sold products} \times \text{Product lifespan} \times \text{Mass} \left(\frac{\text{Sold product}}{\text{Aircraft}}\right) \times \text{P}$$

Where E corresponds to the annual emissions of the aircraft on which the product is installed (tCO_2eq/year); and P corresponds to Safran's involvement in the product (co-construction, partnership program, etc.).

- Estimating future aircraft emissions also involves making an assumption about the use of sustainable aviation fuels (SAF). These fuels have gained considerable momentum since 2022, with:
  - adoption of an incentive framework in the United States;
  - the European ReFuel EU Aviation regulation, which sets requirements for aviation fuel suppliers to gradually increase the proportion of SAF blended into the conventional aviation fuel supplied at EU airports, over the period from 2025 to 2050;
  - the November 2023 ICAO agreement to work toward a 5% reduction in the carbon content of all aviation fuels by 2030 (CAAF/3, Third Conference on Aviation and Alternative Fuels);
  - the adoption of blending targets by many other countries, especially in Asia;
  - the signing of a large number of sustainable fuel supply agreements by Western airlines, most of which aim to achieve a blending rate of 10% by 2030.

  Production of SAFs continued to rise in 2024, and according to the International Air Transport Association (IATA), it doubled during the year compared with 2023 (1 million metric tons versus 0.5 million) and increased four-fold versus 2022.

  For its emissions reporting, Safran took as its central assumption the trajectory of sustainable fuel incorporation, as set out in the 2020 Sustainable Development Scenario of the International Energy Agency (IEA).

  Methodology note about the double materiality assessment: the production of SAF for the purpose of EU blending obligations must comply with the requirements of the ReFuel EU Aviation regulation and the Renewable Energy Directive (RED3). For example, SAF made from feed and food crops such as rapeseed and corn is not eligible. Also, Article 29 of the Directive stipulates that in order to qualify as sustainable, energy sources must not have adverse effects on biodiversity, areas of high conservation value (including primary forests), areas designated for the protection of biodiversity, and natural grasslands. For the rest of the world, the ICAO directives for SAF eligibility under the CORSIA program (Carbon Offsetting and Reduction Scheme for International Aviation), adopted by ICAO member states, specify that as from January 1, 2024, production of SAF should, among other criteria, maintain biodiversity, conservation value and ecosystem services. As part of its first double materiality assessment, the Group considered the topic of biodiversity to be non-material.

In addition to its absolute Scope 3 emissions linked to the use of sold products, Safran also reports its emissions in the form of an indicator of intensity per available seat kilometer. This intensity corresponds to the absolute emissions calculated according to the principles described above, but only including commercial aviation (i.e., excluding helicopters and business aviation, which represent 1.8% of absolute emissions generated by Safran), divided by the volume of traffic (expressed in seat capacity) generated, over their lifetime, by all commercial aircraft delivered in the year in question, on which Group equipment is installed.

Given the many uncertainties affecting the assumptions required for the calculation, the methodology for estimating Scope 3 emissions related to use of sold products may be improved in future years.

Purchased goods and services

The scope of analysis is limited to external purchases by Safran SA and its main consolidated subsidiaries. Intra-Group and partnership purchases (such as CFM joint ventures) are not included. Energy purchases (gas, electricity, aviation fuel) and freight purchases, the emissions of which are included in Scopes 1 and 2, and category 4 of Scope 3 respectively, are also excluded.

The scope accordingly covers 84% of purchases recorded by the Group in 2024 for the corresponding purchase types. The emissions induced by Safran's purchases of goods and services are estimated by applying monetary emission factors that associate emissions with the value of purchases made for the types of goods or services purchased.

Transportation

The scope covers freight paid by Safran, mainly internal transportation (between sites) and downstream transportation. The calculation method used in 2024 is based on a so-called hybrid method, which breaks down as follows:

- 35% of freight-related emissions were calculated by hauliers by applying the physical emission factors associated with the weight, distance and mode of transportation of the quantities transported;
- the remaining 65% were calculated using the monetary method.

The new methodology is being phased in, as it relies on data from "hauliers", the quality of which varies depending on the haulier concerned. However, it reduces the uncertainty of the calculation.

Business travel

Emissions related to business travel within the reporting scope are calculated based on the business travel monitoring system set up with the Group's travel agency and business expense management tools. This covers 94% of Group business travel worldwide. All travel categories are taken into account (air, rail, hotels, short-term car rentals, taxis and private vehicles). Emissions are then calculated for each kilometer traveled depending on the mode of transportation selected. Accommodation is estimated for each night spent depending on the hotel chosen. Emissions related to short-term vehicle leasing are calculated only for the main leasing companies and therefore exclude certain smaller companies: the emissions excluded represent approximately 1% of total emissions, which is not material. Emissions related to business travel by air take into account the use of sustainable aviation fuels (SAF), notably through a regulatory SAF inclusion rate for aircraft departing from France and Safran's partnership with Air France-KLM.

Employee commuting

Emissions related to employee commuting cover 100% of the Group's employees[1] in 2024. These emissions are estimated based on data collected between 2020 and 2023, taking into account city-to-city distances, the number of legal working days per year, the modes of transportation used (which are assigned a differentiated emission factor), absenteeism and, for the first time in 2024, telecommuting. Emissions related to employee commuting are based on Safran's historical data, which have not been updated for several years due to the difficulty of obtaining accurate data. The level of uncertainty remains significant and will be gradually reduced over the coming years.

Waste generated in operations

Emissions associated with the waste generated in Safran's operations are calculated based on the type of waste and its treatment. Seven categories of waste are used, reflecting Safran's activities: plastic, wood, cardboard/paper, composites, metal, and other non-hazardous and hazardous waste. Each type of waste is then assigned a treatment: incineration without energy recovery, incineration with energy recovery, material recycling or landfill. Each family-treatment pair is assigned an emissions factor that converts a given amount of waste treated into emissions.

Upstream energy

The calculation is similar to that of the Scope 1 & 2 energy use emissions, except that the emission factors are different and representative of the various stages upstream of the consumption phase (extraction, transportation, distribution, line losses, etc.). The conversion factors are derived from official sources such as ADEME or the International Energy Agency (IEA).

Percentage of Scope 3 emissions calculated using primary data

[E1-6 AR46g] [E1-6 AR45e]

Primary data corresponds to specific, verifiable information, generally provided directly by suppliers or partners or derived from internal measurements, rather than data obtained from generic databases or sector estimates. The percentage of Scope 3 emissions calculated using primary data corresponds to the portion of the value chain emissions calculation based on actual, precise data collected from the relevant sources, rather than on generic data or approximations.

(1) The employees covered include salaried employees on permanent contracts and those on fixed-term contracts.

PERCENTAGE OF SCOPE 3 EMISSIONS INCLUDED IN REPORTING CALCULATED USING PRIMARY DATA

GHG Protocol category	Relevance for Safran	Data source
1. Purchased goods and services	These emissions relate to external purchases made by Safran SA and its main consolidated subsidiaries. Intra-Group and partnership purchases are not included. Energy purchases (gas, electricity, aviation fuel) and freight purchases, the emissions of which are included in Scopes 1 and 2, and category 4 of Scope 3 respectively, are also excluded.	The calculations therefore cover 84% of purchases recorded by the Group in 2024 for the corresponding purchase types. Data sources: 100% secondary data (monetary)
3. Fuel- and energy-related activities	These emissions correspond to indirect emissions generated by the production and transportation of energy (natural gas, electricity, etc.) used at manufacturing sites, prior to its consumption. They are separate from direct emissions (Scope 1) and indirect emissions linked to on-site electricity, heat and cooling consumption (Scope 2).	Calculations are made in a similar manner to Scope 1 and 2 data, based on consumption data for each energy source. Data sources: 100% primary data
4. Upstream transportation	The scope relates to freight paid by Safran, mainly internal transportation (between sites) and downstream transportation.	The calculation method used is based on a so-called hybrid method, with 35% of emissions calculated by hauliers using physical emission factors and 65% of emissions calculated using the so-called monetary method. Data sources: 35% primary data, 65% secondary (monetary) data
5. Waste generated in operations	The emissions associated with waste generated by Safran's activities are calculated based on the seven families of waste applied within the Group's operations.	Calculations are based on waste tonnages, by waste type and by treatment type. Data sources: 100% primary data
6. Business travel	These emissions cover all modes of employee business travel (plane, train, private car, taxi), as well as accommodation.	Calculations are made using professional travel monitoring tools set up with the travel agency and business expense management tools. Data sources: 100% primary data
7. Employee commuting	Emissions related to commuting cover all permanent and temporary Group employees.	Calculations are based on data collected between 2020 and 2024, taking into account city-to-city distances, the number of legal working days per year and the modes of transportation used (which are assigned a differentiated emission factor). Some data (e.g., absenteeism, telecommuting, on-site charging of electric cars, carpooling) were collected in 2024. Data sources: 100% primary data
11. Use of sold products	Absolute value emissions in this category cover the use of Safran's sold products associated with the civil aviation reporting scope (commercial aircraft, helicopters, large business jets). The intensity value (per available seat kilometer) indicator covers absolute emissions restricted to the scope of commercial aviation (excluding helicopters and business jets).	Calculations are based on data from internal reports on Safran products (e.g., sales, weight, consumption), external data (e.g., aircraft weight, distances flown, traffic in available seat kilometers) and assumptions based on external scenarios (IEA and ATAG, etc.). Data sources: 100% secondary data

Methodology for calculating biogenic emissions

[E1-6 43c] [E1-6 AR42c] [E1-4_AR45e] [E1-6 AR46j] [E1-6 AR46i]

Scope 1 biogenic emissions are calculated from the purchase of biogas and the combustion of sustainable aviation fuel (SAF) derived from biomass (bio-SAF) in engine testing at our sites.

For Scope 2 biogenic emissions, Safran purchases small quantities from heating networks in France that are partly powered by the combustion of biomass. Missing data from suppliers made it impossible to calculate a precise figure for 2024. Given the small quantities involved, Safran does not consider its Scope 2 biogenic emissions to be material.

Scope 3 reported biogenic emissions are related to category 11 (use of sold products), while biogenic emissions related to other Scope 3 categories are equal to zero or not material. Biogenic emissions associated with the use of products sold by Safran correspond to emissions associated with the combustion of sustainable aviation fuel (SAF) derived from biomass (bio-SAF). Safran's central assumption is the bio-SAF incorporation trajectory from the International Energy Agency's (IEA) 2020 Sustainable Development Scenario (SDS). The emission factor used for biofuel is the same as the one used for conventional aviation fuel.

Biogenic emissions	2024
Biogenic emissions – Scope 1 *(tCO_2eq)*	4,956
Biogenic emissions – Scope 2 *(tCO_2eq)*	-
Biogenic emissions – Scope 3 *(tCO_2eq)*	9,800,000

5.1.2.1.7 Internal carbon pricing

[E1-8] [E1-8 63a E1-8_01 and E1-8_02] [E1-8 63b] [E1-8 63c E1-8 _04 and E1-8_05] [E1-8 AR65]

Safran has had an internal carbon price (ICP) for its capital expenditure since 2020, in the form of a shadow price (with no associated cash flow) set at USD 80/t CO_2eq. The aim of this internal carbon price is to raise awareness among internal investors and to promote greener investments by accelerating the return on investment for the most environmentally friendly ones. The ICP applies to projects such as new buildings and extensions to existing facilities, as well as capital expenditure related to energy efficiency. It is used by all Group companies for CapEx in excess of €150,000.

Safran's methodology for calculating its ICP is based on (i) a study carried out by the World Bank and the CDP (previously carbon disclosure project), (ii) an overview of global explicit carbon prices, and (iii) an analysis of the practices of major French and international groups. In early 2025, the Group re-valued its ICP at €150/tCO_2eq., to bring it into line with regulatory and economic developments.

The ICP is used for Scopes 1 and 2, as well as for Scope 3 Category 4 – Upstream transportation, to calculate return on investment. For Scope 3, the ICP is used to compare transporters

Percentage of emissions covered by the internal carbon price

[E1-8 63d E1-8_06, E1-8_07 and E1-8_08]

It covers 100% of Scopes 1 and 2, and category 4 of Scope 3, which represents approximately 1% of total emissions in 2024. This figure is calculated on the basis of the sum of the emissions of the categories to which the ICP applies, divided by total emissions. As Safran's technological development roadmap is geared towards decarbonization, the ICP does not apply to Scope 3 emissions linked to the use of sold products, which represent around 90% of the Group's total emissions. It would also not be relevant to apply the ICP to upstream Scope 3 "Purchased goods and services" emissions, which account for around 9% of the Group's emissions, due to the difficulty of obtaining a sufficiently reliable product carbon footprint from suppliers (see section 5.1.2.1.6 on the methodology for calculating Scope 3 emissions related to purchased goods and services). Safran has therefore chosen to focus on an analysis of suppliers' maturity in terms of their decarbonization pathways.

5.1.2.2 Management of pollution, waste and substances of concern – ESG topic 3 (ESRS E2)

5.1.2.2.1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

[E2.IRO-1 11a] [E2.IRO-1 11b]

The potential pollution-related impacts, risks and opportunities are based on the Group's "Management of pollution, waste and substances of concern" topic.

The double materiality assessment identified one risk and three material negative impacts for Safran. Information on waste management appears in section 5.1.2.3, which complies with the ESRS E5 requirements.

For further details about the IRO identification process, see the corresponding section on ESRS 2, section 5.1.1.4.

MATERIAL IROS RELATED TO POLLUTION AND SUBSTANCES OF CONCERN AND VERY HIGH CONCERN

[ESRS 2 MDR-P 65a]

ESG topic 3

Management of pollution, waste and substances of concern

IROs	Description	Type	Time horizon	Policies related to the IRO
Additional costs related to the substitution of certain chemical substances used in the product manufacturing process	Risk associated with the investment required to substitute certain chemical substances of concern or very high concern and to comply with regulatory requirements.	R	ST	Approach related to restriction and substitution of substances of concern
Endangerment of worker and public health in the event of chemical discharges	Negative impact on the health of local populations in the event of chemical discharges in the vicinity of industrial sites (depending on the hazardous substances used), contributing to the occurrence of respiratory problems/ diseases, cancers, premature deaths or other public health consequences.	I–	ST	HSE policy
Disruption of natural ecosystems due to pollution caused by Safran products	Disruption of natural habitats, cycles and behaviors, with an adverse impact on the health of species and negative consequences for flora and other ecosystems.	I–	ST	HSE policy
Effects on human health due to pollution caused by Safran products	Negative impact on the health of local communities, employees, value chain workers, customers and consumers in the event of pollution caused by the equipment built.	I–	ST	HSE policy

I+ Positive impact; I– Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

5.1.2.2.2 Policies

[E2-1 14 E2.MDR-P_01-06] [ESRS 2 MDR-T 80h]

The transition to sustainable aviation is a priority for Safran. This means developing business without undermining the capacity to renew natural resources or the proper functioning of ecosystems. With a determination to lead by example in its development and production methods and its value chain, Safran pays particular attention to reducing the environmental impact of its operations and products. This commitment is an integral part of its sustainability approach.

To manage the risks and negative impacts related to pollution, the Group's Health, Safety and Environment (HSE) policy nurtures a risk management approach and a culture of prevention to defend the health and safety of its employees, partners, suppliers, customers and all other stakeholders concerned by its operations, in a spirit of transparency and sincerity. The HSE policy, signed by the Chief Executive Officer, is a key component of the Group's operating performance. It reflects its commitment to health, safety, the environment and the fight against climate change. The HSE policy applies to all Group players, from company CEOs and senior executives to managers and employees.

The HSE policy is based on global internal HSE Guidelines applied by all Group entities (see section 5.1.3.1.3).

These guidelines have been endorsed by an external organization as meeting the requirements of environmental management (ISO 14001) and occupational health and safety management (ISO 45001) standards. They also meet Safran's specific operational requirements. The HSE Guidelines lay down various standards and their applicable requirements, including in terms of:

- risks and impacts, compliance with regulatory obligations;
- stakeholder involvement (employees and on-site providers), commitment and managerial leadership;
- best practice in respect of physical and chemical risks, health and working conditions, ergonomics, road risk, etc.

In addition to its HSE policy, the Group also works on limiting and substituting chemical substances of concern (see dedicated section below).

All procedures and policies on preventing pollution risks and limiting and substituting chemical substances of concern are published on the Safran intranet, accessible to all employees.

Training is also available to raise employee awareness on key aspects of these policies and procedures.

The HSE policy and approach on limiting and substituting chemical substances of concern are published on the Group's website, in the section on sustainability and corporate social responsibility.

Water and soil management

Water is used by Safran mainly for sanitary purposes. Water from industrial processes that could represent a risk is channeled to continuously monitored treatment facilities or treated off-site by a service provider for purification prior to discharge. Compliant with local regulations, Group sites commission third-party soil and groundwater analyses at their industrial facilities to assess potential pollution risks. Preventive or remediation measures have been implemented wherever necessary.

Control of industrial risks

Safran is committed to controlling its industrial risks and mitigating their impact on the environment (see ERM methodology in section 4.1.1).

Each site undertakes preventive measures to ensure compliance of its installations and to prevent and reduce pollution. The rollout of the Health, Safety and Environment (HSE) Guidelines makes it possible to cover all industrial risks and to ensure compliance with requirements through audits.

Roadmap on the prevention of major risks

Industrial risks are covered in Safran's roadmap on the prevention of major risks. This addresses issues including chemical risks, fire safety and emerging risks.

Risk mapping

The Group Risk and Insurance Department consolidates and charts a comprehensive map of the Group's major risk exposures, and issues appropriate action plans. This consolidation is based on data from the operational and senior management teams of the Group's main subsidiaries, combined with data from the central departments. Supplier relationship risks are identified, integrated into these work programs and managed.

Safran has identified nine HSE risk typologies aligned to applicable standards at Safran sites. These include toxicology, aqueous and gaseous discharges, fires, explosions, radiation, waste, accidents and compliance with regulations.

For each "activity/type of risk" pair, Safran has assessed the criticality of the risk and assigned a rating to each supplier based on the activity with the highest risk coefficient (see section 4.1.1).

All Group sites comply with local regulations on monitoring and tackling diffuse or accidental pollution. Any identified instance of actual pollution or risk of pollution triggers measures to tackle the situation consistent with appropriate applicable practices.

Reducing noise pollution

Safran pays particular attention to reducing the negative impacts of noise pollution during the use of its products.

The increase in air traffic is making aircraft noise a growing concern for residents in the vicinity of airports, as noise can undermine human health when exposure reaches a certain level. Airport resident associations are lobbying against noise.

Noise standards were first introduced in 1970, and the ICAO (International Civil Aviation Organization) has regularly tightened them throughout the world ever since. Some airports also impose additional constraints determined by specific local conditions (traffic, local population, etc.). In 2012, in its Flightpath2050 vision, the European Union set the target of reducing perceived aircraft noise by 65% by 2050 compared with 2000. To meet these requirements, Safran is working to lessen the noise emissions of its engines and equipment and cooperating in research with aircraft manufacturers, helicopter manufacturers and the largest French and European laboratories, notably ONERA[1] and the German Aerospace Center (DLR)[2].

Limitation to the use of substances of concern and phase-out of substances of very high concern

[E2-1 15b] [ESRS 2 MDR-T 80h]

Overall approach

Safran aims to limit the use of substances of concern for health and the environment in all of its operational activities in order to achieve the objective of reducing its environmental footprint, as stated in its HSE Policy. Safran complies with the requirements of the European Union's REACh (Registration, Evaluation, Authorization and Restriction of Chemicals) and POP (Persistent Organic Pollutant) regulations, which aim to improve the protection of human health and the environment against the risks related to chemical substances.

(1) *Office national d'études et de recherches aérospatiales: French National Aerospace Research Office.*
(2) *Zentrum für Luft- und Raumfahrt.*

Safran's approach is to identify substances potentially of concern as early as possible to prohibit their use right from the design phase or to limit such use, by seeking safer alternatives where possible. The aim is to reduce the environmental impact of its activities. Given the magnitude of the matter at hand, substitution efforts must be prioritized allowing for risk of obsolescence, either regulatory or commercial, to prevent any risk of business interruption.

In general terms, the substances used by Safran perform a technical function required to ensure aviation safety, Safran's absolute priority, uninterrupted operation of safety or defense equipment, or other purposes essential to operation of the Company. Any replacement solutions must be capable of performing the required function with performance sufficient to provide the required service, and of offering greater safety.

Where technical solutions exist and are economically viable, industrial rollout can only proceed after lengthy phases of qualification and certification by aviation authorities (such as EASA[1] in Europe and FAA[2] in the United States). This means that in many cases, Safran's use of chemical substances falls within the scope of the "essential use concept" as defined by European Commission communication C/2024/2894.

Note that the products manufactured by Safran take the form of equipment used in the aerospace and defense sectors. During their service life, use under normal conditions does not generally involve any disposal of the substances used in manufacture.

Governance and internal procedures

Actions concerning substances are coordinated Group-wide by the Materials and Processes Department, part of the Strategy, Technology and Innovation Department. Actions are rolled out across Group companies and entities with the support of various departments, including the Industrial, Purchasing and Performance Department, the Health, Safety and Environment Department, the Risk and Insurance Department and the Climate and Environment Department.

Substances Committee meetings are organized quarterly to ensure overall progress and set strategic guidelines. This Committee includes members from the Industrial, Purchasing and Performance Department, the Technical Department, the Materials and Processes Department, the Sustainability Department, the Health, Safety and Environment Department and the Risk and Insurance Department.

Each of the Group's tier-one entities has appointed a substances manager to oversee matters relating to substances, under sponsorship from a member of the Executive Committee, who ensures the allocation of sufficient resources for the task. The substances manager manages substances activities throughout the company and its subsidiaries, coordinates with other Group entities, reports on the entity's expectations and topics, and implements Group substances strategy through the entity.

Safran has rolled out a responsible management approach for substances of concern and substances of very high concern, based on three principles: anticipate regulatory requirements, substitute and control.

This approach is based on a procedure applicable across all Group activities and entities, setting out rules to be observed in the choice of chemical substances and in the priority criteria adopted for substance substitution. This procedure is backed by an in-house list of substances graded by danger level and risk of obsolescence. The use of substances of very high concern is forbidden for products at the development phase, and substitution of these substances is triggered for products in serial production. The list also includes substances of concern for which risk of obsolescence is identified.

Requirements on substances of very high concern are extended to suppliers via the SAFe procedure (Safran requirements applicable to external service providers).

5.1.2.2.3 Actions and resources

Actions and resources on pollution prevention and management

[E2-2 18] [E2.MDR-A_01-12] [ESRS 2 MDR-A 68a]

Safran runs improvement action plans to prevent pollution risks. In 2024, the Group continued rollout of the following actions and resources:

Prevention and protection

Action plans are systematically implemented to continuously improve site and personnel protection.

Expansion and renovation projects undergo fire safety reviews to ensure appropriate prevention and protection actions are included. This extends to the management of water for fire extinguishing.

In 2023 and 2024, at the request of the Executive Committee, Safran conducted an international survey of all employees' perceptions of the health and safety culture. In addition to the questionnaire, over a hundred group interviews were conducted to enrich the responses. Heightened prevention actions are implemented on the basis of the survey findings.

Budgets on risk prevention, in line with the Group, company and site objectives and roadmaps, are an integral part of the overall budgets of the Risk and Insurance Department and of each entity (including human resources, financial planning and capital expenditure plans).

Business continuity plan

Industrial sites develop business continuity plans on an ongoing basis to ensure their ability to safeguard operations or attenuate impacts in the event of risk.

Pollution treatment

Any identified instance of actual pollution or risk of pollution triggers measures to tackle the situation consistent with appropriate applicable practices.

When non-compliance is identified, treatment of diffuse or accidental pollution usually involves these stages:

- background and documentary study to identify potential pollution sources;
- invasive sampling to confirm the presence of pollution sources;
- elimination of the source and treatment of surroundings if necessary;
- surveillance to confirm removal or reduction of the pollution.

(1) *EASA: European Aviation Safety Agency.*
(2) *FAA: Federal Aviation Administration.*

Management of diffuse or accidental pollution

When a management plan is needed, the company allocates a provision to cover the costs required. The Group assesses the risks associated with industrial investment projects. Prevention plans are drawn up to attenuate the risks and vulnerabilities identified, along with specific management measures.

Upstream value chain actions

The main challenges concern air and water pollution, primarily among suppliers involved in metal extraction and transformation.

Safran works with suppliers that manage their own social and environmental risks and those of their own supply chains. Safran seeks to obtain suppliers' commitments to comply with Group requirements on the development of innovative products and processes with a lower environmental impact.

Since 2024, Safran has used the EcoVadis solution to assess its suppliers' environmental commitments (see section 5.1.4.2.2).

Actions and resources on the substitution of substances of concern and very high concern

[E2-2 18 E2.MDR-A_01-12] [E2-2 19 AR14] [ESRS 2 MDR-A 68b]

Key actions in 2024 related to the continued industrial use of chromate-free (chrome VI) processes, which affect a large number of parts.

Note that the Group uses chromates chiefly for surface treatments. These compounds play an important role in metal alloy corrosion protection, a key property for the certification of aerospace materials.

Renewed authorizations for use in the aviation, defense and space sectors, obtained in Europe and the United Kingdom, ensures business continuity from a regulatory viewpoint.

The main challenge remains that of approval from customers or aviation authorities on changes in definition, plus support for supply chain take-up of new industrial processes.

Safran is seeking the promptest possible replacement of processes using chromates in Europe, then worldwide, as soon as technical solutions that do not jeopardize aviation safety are available. Rollout of the process across the whole of the scope concerned should proceed for several years.

[ESRS 2 MDR-A 68c] [ESRS 2 MDR-A 68d] [ESRS 2 MDR-A 69ab] [ESRS 2 MDR-A 69ac] [E2-2 AR13]

Substances resources are mostly allocated by companies or entities, often at Project or Program level. The aim is that the topic should be fully integrated in the equipment development or production cost.

Actions on reducing noise pollution

Noise from product use is a criterion included in the work of engine R&T and R&D teams.

In fifty years, world aviation has reduced aircraft noise by an average of 80%. Between the most optimized versions of CFM56 engines from the early 2000s and the LEAP engine (2016), an average cumulative improvement of 12 decibels (certified level) has been achieved. The transition from the A320ceo to the A320neo results in a reduction of more than 50% of the ground noise footprint, i.e., the area affected by noise during take-off and landing.

5.1.2.2.4 Targets

[ESRS 2 MDR-T 80a] [E2-3 22 AR 19 E2.MDR-T_01-13] [E2-3 23a] [E2-3 23b] [E2-3 23c] [E2-3 25] [ESRS 2 MDR-T 80f] [ESRS 2 MDR-T 80i] [ESRS 2 MDR-T 80g]

Roadmaps on pollution have been charted to anticipate and comply with locally specified regulations and thresholds. Given the extent and variety of activities and locations, there are no Group-wide quantitative targets on pollutant emissions and discharges. The Group complies with all applicable national, supranational and international laws and regulations on pollution across all its sites. Safran also meets locally specified thresholds on pollutant emissions and discharges.

With regard to substances, Safran aims to identify substances potentially of concern as early as possible, to prohibit their use from the design phase or to limit such use, by seeking safer alternatives where possible. The aim is to reduce the environmental impact of its activities. Given the magnitude of the matter at hand, substitution efforts must be prioritized allowing for risk of obsolescence, either regulatory or commercial, to prevent any risk of business interruption.

Safran is seeking the promptest possible replacement of processes using chromates in Europe, then worldwide, as soon as technical solutions so allow. Rollout of the process across the whole of the scope concerned should proceed for several years.

Targets could be changed to comply with changing regulations on pollution and discharge of substances of concern.

Safran's targets are set to comply with regulations, the requirements of which are specified by the relevant authorities and documented by sound scientific work.

Safran is also implementing a comprehensive approach to improve the traceability of substances in all its activities.

5.1.2.2.5 Measures

Air, soil and water pollution

[E2-4 28a] [E2-4_01], [E2-4_02] [E2-4_03] [E2-4 30a] [E2-4 31] [ESRS 2 MDR-M 75] [ESRS 2 MDR-M 77b] [E2-4 30b] [E2-4 30c]

Safran undertakes to comply with all national, supranational and international regulations.

In France, each eligible site makes an annual declaration on waste production and air, water and soil emissions in the GEREP pollutant emission and discharge database, a regulatory measure that requires installations classified for environmental protection (ICPE) (and others) to report pollutant emissions and discharges.

This reporting meets the requirements of the European E-PRTR register of pollutant discharges and transfers, under regulation (EC) nº 166/2006.

For sites outside the European Union, thresholds are specified by local regulations and duly applied by the Group.

	2024
Air emissions	
Nitrogen oxides (NOx/NO2)*(metric tons/year)*	199.65 (1)
Water emissions	
Polycyclic aromatic hydrocarbons (PAHs)*(kilograms/year)*	19.54 (2)

(1) Only one site reported exceeding the nitrogen oxides (NOx/NO2) emission threshold of 100 metric tons per year according to Annex 2 of the E-PRTR regulation.
(2) Only one site reported exceeding the polycyclic aromatic hydrocarbon (PAH) emission threshold of 5 kilograms/year according to Annex 2 of the E-PRTR regulation.
The information above is self-reported. The reporting scope covers European sites and major sites worldwide but will be extended in future years.

Substances of concern and very high concern

[ESRS 2 MDR-M 75] [ESRS 2 MDR-M 77a] [E2-5 34]

As indicated in section 5.1.2.2.2 above, Safran has rolled out a responsible management approach for chemical substances, based on three principles: anticipate regulatory requirements, substitute and control.

Safran tracks 4,600 substances. The exact quantity (mass of the substance in a product) is not communicated to the Group by the suppliers concerned. The REACh regulation requires the identification of substances of very high concern present in articles above the 0.1% threshold, but not their quantity.

5.1.2.2.6 Anticipated financial effects from pollution-related impacts and risks

[E2-6 40b E2-6_04 and E2-6_05] [E2-6 41]

On significant pollution remediation projects, cost/benefit balances are charted to select the most appropriate management measures.

These data are not consolidated at Group level.

No significant incidents were reported in 2024. This means there was no instance of pollution having a negative impact on the environment, and no expected impact on cash and cash equivalents, financial situation or financial performance.

5.1.2.3 Access to raw materials and circularity of products and services – ESG topic 2 (ESRS E5)

5.1.2.3.1 Description of processes to identify and assess material climate-related impacts, risks and opportunities related to use of resources and the circular economy

[E5.IRO-1 11a] [E5.IRO-1 11b]

The double materiality assessment identified that Safran is exposed to one risk related to use of resources and the circular economy. This concerns the topic “Access to raw materials and circularity of products and services”.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

MATERIAL IROS RELATED TO USE OF RESOURCES AND THE CIRCULAR ECONOMY

[ESRS 2 MDR-P 65a]

ESG topic 2

Access to raw materials and circularity of products and services

IROs	Description	Type	Time horizon	Policies related to the IRO
Investment to transition the Group to a circular model	Transitioning to a circular economy model requires investment in various initiatives. Failure to mitigate this risk could require Safran to reposition itself within the supply chain in order to implement more circular practices.	R	MT	Circular economy approach

I+ Positive impact; I- Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

5.1.2.3.2 Policies

Policies related to resource use and circular economy

[E5-1 14] [E5-1 15a] [E5-1 15b] [ESRS 2 MDR-P 65a] [ESRS 2 MDR-P 65c] [ESRS 2 MDR-P 65d] [ESRS 2 MDR-P 65e] [ESRS 2 MDR-P 65f]

Through its circular economy approach, Safran undertakes to promote the Group-wide inclusion of circular economy practices across all product life-cycle phases. This involves rethinking raw materials procurement, adapting procurement contracts, promoting product circularity and taking an active role in the transition toward a circular economy.

Working with stakeholders, suppliers and customers, Safran endeavors to develop a sustainable, environmentally responsible and economically viable business model.

To this purpose, in 2023 Safran set up a Circular Economy Department within the Group Sustainability Development Department, which is represented within the Executive Committee to ensure that sustainability matters are tackled at the highest management level.

A Circular Economy Steering Committee was formed in July 2024, within which members of the Executive Committee in charge of the Industrial, Purchasing and Performance Department, the Strategy, Technology and Innovation Department and the Group Sustainability Department work to specify actions on related objectives and monitor progress toward the targets set for the year, to ensure the Group's performance level. For 2024, Safran set a target on the amount of titanium returned to material suppliers in the form of chips or off-cuts.

Safran's circular economy approach is structured around the three phases of the life cycle of manufactured products: before use, during use and after use.

Pre-use phase

In the perspective of access to sustainable raw materials, Safran wishes to reduce its dependency on certain raw materials. Priority attention is given to titanium, a strategic material for the Group, which is subject to geopolitical uncertainty and capacity fluctuations. Safran practices the return of titanium chips and off-cuts to suppliers for recovery into the titanium alloy production process, in a circular economy loop that contributes to shrinking the carbon footprint of Group products.

This practice has been rolled out collaboratively with suppliers forging and machining titanium parts.

In late 2023, a steering committee was formed within the Industrial, Purchasing and Performance Department, meeting monthly to manage this recycling initiative and track progress toward targets on the quantities of material to return.

In-use phase

The Group places great importance on the repairability of its products, offering MRO (maintenance, repair and overhaul) solutions worldwide. Each year, Safran experts develop and roll out hundreds of new repair solutions on an industrial scale and offer a comprehensive range of services including performance restoration, replacement of parts with a limited service life, inspection and maintenance of all equipment and service-life extension (see section 1.2.1.5 for full details on MRO activities, and on Leap maintenance support in particular).

In addition, the implementation of eco-design practices promotes the repairability of new products developed.

Post-use phase

To promote circularity of products and services, in 2007, Safran and two other leading players (Airbus and Suez) founded Tarmac Aerosave, which has been under Safran chairmanship since 2022. Tarmac Aerosave is the European leader in storage and the global leader in the dismantling of military and civil aircraft manufactured by Airbus, Boeing, ATR, Bombardier and Embraer. To improve post-dismantling recycling, it is working notably with Airbus and Safran to develop short recycling cycles for aerospace metals (titanium, inconel and aluminum).

Under its circular economy approach, in 2023 and 2024 Safran gave priority attention to the pre-use phase, with the return of titanium chips and off-cuts to suppliers. By recovering this material in-house and through its forging and machining suppliers, Safran reduces its consumption of titanium resources and introduces secondary titanium resources into its product manufacturing process.

That being said, for reasons of mechanical strength and service life, the titanium alloy used in Safran's production operations cannot be made from 100% recycled material. Scientific literature points to a requirement of 20% virgin material.

Through this recycling initiative, Safran is reducing its consumption of virgin materials by circularizing titanium scrap.

The medium-term objective is to extend this approach to other metal materials, for a significant reduction in consumption of virgin resources.

The Strategy, Technology and Innovation Department adopts a similar approach to non-metallic materials, as set out in its R&T and Innovation roadmaps. The Innovation roadmap on recyclability and sustainability addresses technologies on the circularization of non-metallic materials, with priority on the composites used in manufacturing aircraft seats. Because this activity is still at the research and innovation stage, no implementation timeframe is yet advanced.

Safran designs, develops, manufactures and markets aerospace equipment using high-tech materials that meet the highest safety and performance demands. The vast majority of these materials do not come from renewable sources.

For this reason, the use and supply of renewable resources is not significant for the Group.

Waste management policy

[E5-1 AR9a] [E5-1 AR9b]

Safran operates a Group-wide policy on reduction and treatment of waste from its production sites worldwide. Waste is broken down into seven categories (plastics, paper/cardboard, wood, composite, metallic, hazardous and other non-hazardous waste). Safran sites do not discharge any radioactive waste. This Group-wide approach is part of the Group Health, Safety and Environment policy, monitored by the Climate and Environment Department, part of the Group Sustainability Department.

Several treatments are possible for each category of waste: material recycling, incineration with energy recovery, incineration without energy recovery and landfilling for final and hazardous waste.

5.1.2.3.3 Actions and resources

Actions and resources related to resource use and circular economy

[E5-2 19]

Safran's main action here is the recycling of titanium chips and off-cuts in the pre-use phase (see section 5.1.2.3.2 above).

A steering committee on recycling was formed in late 2023 under the Industrial, Purchasing and Performance Department, meeting monthly throughout 2024 to manage action on increasing the volume of titanium returned over the medium term, and oversee progress on quantitative targets over the short term.

The 2024 target on titanium scrap returns was set working from the backlog of three Group companies. Working toward this target (set in metric tons) are the production sites of the Group companies that consume the most titanium, namely Safran Aircraft Engines, Safran Aero Boosters and to a lesser extent Safran Landing Systems, plus the Group's main metal machining and metal forging suppliers. These Group companies have a stage-by-stage action plan for increasing the quantities of chips returned. Recycled quantities are on the increase as new suppliers join the initiative.

In 2024, the initiative reached contributing companies and the suppliers involved. Quantities are monitored entity by entity via a network of focal points, and figures consolidated to report on progress toward the Group target.

An eco-design project was also launched in 2023, with the Group Sustainability Department and Strategy, Technology and Innovation Department addressing the following points:

- governance: joint ambition on eco-design;
- skills: skills development in eco-design, through appropriate training;
- methods and tools: common methods and tools for implementation of eco-design practices.

In 2024, an Eco-Design Steering Committee was formed to determine actions and priorities and monitor project progress. The heads of the Circular Economy Department and the Strategy, Technology and Innovation Department sit on this Committee.

Actions and resources in relation to waste management

[E5-2 20e] [E5-2 20f]

Waste management is handled at each site compliant with local regulations. Waste tonnages and treatment processes are monitored.

5.1.2.3.4 Targets

Targets related to resource use and circular economy

[E5-3 23] [E5-3 24a] [E5-3 24b] [E5-3 24c] [E5-3 27] [ESRS 2 MDR-T 79a] [ESRS 2 MDR-T 79b] [ESRS 2 MDR-T 79c] [ESRS 2 MDR-T 79e] [ESRS 2 MDR-T 80a] [ESRS 2 MDR-T 80b] [ESRS 2 MDR-T 80d] [ESRS 2 MDR-T 80g]

Safran's priority circular economy action is circularization of titanium chips and off-cuts at the main Safran and supplier plants that use titanium. The 2024 target for return of titanium chips was set at 950 metric tons.

Progress toward this target is tracked monthly by the Recycling Steering Committee, whose members include the head of the Circular Economy Department, materials procurement and supply chain managers of the Industrial, Purchasing and Performance Department, and managers of the companies most concerned. Targets for coming years are being prepared.

Circularization of production scraps from machining and forging of titanium parts develops the reuse of secondary materials in the production of new titanium alloys for Safran's aerospace businesses. The objective is to extend this approach to other metal materials, for a significant increase in the circular material use rate. The targets set by Safran here are voluntary. There are no regulations on materials circularization.

Note that the target for secondary material content cannot be set at 100%: for reasons of mechanical strength and service life, titanium alloys cannot be produced using 100% recycled material, The use of virgin materials is still necessary. Safran must comply with certification requirements for aviation parts.

Waste management targets

[E5-3] [E5-3 24e] [E5-3 25]

Depending on the type of waste, the maturity of existing channels and the countries in which Safran operates, recovery rates (material and energy) can vary from 99.6% for metallic waste to 47% for composite waste, for which treatment channels are only now taking shape. The annual waste recovery target is set at 70%, and covers two levels in the waste hierarchy:

- recovery for energy: incineration;
- recovery for materials: recycling.

5.1.2.3.5 Inflow resources

[E5-4 31a] [E5-4 31b] [E5-4 31c] [E5-4 32] [E5-4 AR25] [E5-5 35] [E5-5 36a] [E5-5 36b] [E5-5 36c] [E5-5 40]

Safran determines and monitors the quantity of titanium returned to suppliers but does not have information on the proportion of recycled material in the alloys it receives from them.

Since the Group does not know the proportion of recycled material, it cannot provide this information, which is in the possession of the suppliers concerned.

The information is under the responsibility of the materials producer and cannot so far be published by Safran.

5.1.2.3.6 Outflow resources

[E5-5 35] [E5-5 36a] [E5-5 36b] [E5-5 36c] [E5-5 40]

Safran has a metric for monitoring progress of the companies concerned toward the 2024 target on titanium chips returns: yearly tonnage of material returned to suppliers for recycling.

This reached 1,050 metric tons, meeting the 2024 target.

Repairability

In the Group's Propulsion segment, product repairability is an integral factor in product design. MRO (Maintenance, Repair and Overhaul) solutions are offered worldwide to enable performance restoration and replacement of parts with a limited service life. Such operations extend the service life of the equipment concerned.

In the Group's Equipment segment, Safran Landing Systems operates many MRO centers worldwide. With its leading-edge installations and expert teams, the Safran Landing Systems MRO network offers operators a wide range of maintenance, repair and overhaul services for landing gear, braking systems, wheels and hydraulic systems.

Product repairability performs a key function in the circular economy, by extending product service life, as outlined in section 5.1.2.3.2 on the In-use phase. Longer service life makes for lower new-product volumes and thus reduces consumption of natural resources.

Safran maximizes the repairability of its products. Each year, Safran experts develop and roll out hundreds of new repair solutions on an industrial scale and offer a comprehensive range of services including aesthetic restoration, performance restoration, replacement of parts with a limited service life, inspection and maintenance of all equipment and service-life extension.

The Group's aim is to keep its products in operation as long as possible.

In addition, the implementation of eco-design practices helps increase the repairability of new products developed.

5.1.2.3.7 Waste management metrics

[E5-5 37a] [E5-5 37b] [E5-5 37c] [E5-5 37d] [E5-5 38a] [E5-5 38b] [E5-5 39]

In 2024, the average annual waste recovery rate was 71.4%, against a target of 70%.

		Non-hazardous waste	Hazardous waste	TOTAL
Waste not disposed of	Recycling *(metric tons)*	35,077	16,526	51,603
	Total not disposed of *(metric tons)*	**35,077**	**16,526**	**51,603**
Waste disposed of	Incineration *(metric tons)*	6,870	18,713	25,583
	Landfill *(metric tons)*	10,399	2,520	12,919
	Total disposed of *(metric tons)*	**17,269**	**21,232**	**38,501**
Total waste	**Total waste** *(metric tons)*	**52,346**	**37,758**	**90,104**
	Total non-recycled waste *(metric tons)*	**17,269**	**21,232**	**38,501**
	Percentage of waste not recycled *(%)*	**33%**	**56%**	**43%**

Details on the indicators

[E5-5 40]

Waste figures correspond to the total of non-hazardous waste (plastics, paper/cardboard, wood, composite, metals and other non-hazardous waste) and hazardous waste.

Categories of waste are defined according to local legislation and classed as:

- recovered waste (material or energy);
- non-recovered waste (incineration without energy recovery or landfill).

Waste not disposed of

- **Recycling**: any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. It includes the reprocessing of organic material but does not include energy recovery and the reprocessing into materials that are to be used as fuels or for backfilling operations.
- **Recovery**: any operation the principal result of which is waste serving a useful purpose by replacing other materials which would otherwise have been used to fulfil a particular function, or waste being prepared to fulfil that function, in the plant or in the wider economy.

Waste disposed of

- **Incineration**: the controlled burning of waste at high temperature with or without energy recovery.
- **Landfill**: a waste disposal site for the deposit of the waste onto or into land.

5.1.2.4 European Taxonomy

[E1-1 16e] [E1-3 29c (i, ii and iii)] [E1-1 16c] [E1-3 AR22]

SUMMARY OF RESULTS

- Turnover eligibility rate of 91% (only Space and Land Defense excluded) and alignment rate of 0%.
- CapEx eligibility rate of 78% and alignment rate of 2%.
- OpEx eligibility rate of 82% and alignment rate of 0%.
- Turnover, CapEx and OpEx of the Group's main activities have an alignment rate of 0 due to the DNSH (Do No Significant Harm) pollution classification criterion, as the strict application of Annex C of the Delegated Act on the use of pollutants makes alignment impossible.
- Only certain CapEx related to secondary activities is aligned (renewable energy, energy efficiency, electric charging stations, etc.).
- The Group has chosen to present, as entity-specific disclosure at the end of this report, an assessment of the alignment of its aerospace manufacturing activities, taking into account the application of the REACh regulation on substances. Only the new generation of civil platforms can claim alignment (36% of Turnover), to which a fleet replacement coefficient of 48% is applied (to exclude the part related to fleet growth), resulting in alignment rates of 17% of Turnover, 18% of CapEx and 22% of OpEx.

5.1.2.4.1 Background

Safran is subject to Regulation (EU) 2020/852 of June 18, 2020 amended by delegated regulations of 2021 and 2023, also known as the Taxonomy Regulation. This sets a framework to facilitate sustainable investment through improved information for the financial market. Delegated Regulations (EU) 2021/2178 and 2021/2139 supplemented this regulation in 2021, and were amended by Delegated Regulation (EU) 2022/1214, known as the Complementary Climate Delegated Act of March 9, 2022.

The new Commission Delegated Regulation (EU) 2023/2485 of June 27, 2023 amended Delegated Regulation (EU) 2021/2139 relating to the climate component, incorporating new economic activities including manufacturing of aircraft and their associated criteria.

The second new Delegated Regulation (EU) 2023/2486 also supplemented Regulation (EU) 2020/852 on the same date, specifying the activities and their criteria for contributing to the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and reduction, and protection and restoration of biodiversity and ecosystems.

Safran's main activities, namely aerospace, will only be eligible under the European regulation in category 3.21 (Manufacturing of aircraft) from 2023. The declaration of their potential alignment will not be mandatory until 2024.

The land defense and space sectors are not currently covered. It is important to note that the absence of these sectors does not necessarily imply a particularly negative environmental impact. It simply indicates that the European Union has not yet defined objective criteria to assess whether economic activities in these sectors contribute substantially to the Taxonomy's environmental objectives.

The Group therefore organized to qualify its activities that make substantial contributions to environmental objectives.

5.1.2.4.2 Scope of Safran's activities

The Taxonomy reporting exercise covers all activities corresponding to the scope of Group entities fully consolidated at December 31, 2024.

Companies in which the Group has joint control or significant influence are excluded from the calculation of ratios specified by the "Article 8" delegated act of the Taxonomy Regulation.

The Group has analyzed its own activities in order to identify those to be disclosed in accordance with the Taxonomy Regulation for 2024.

Taxonomy-eligible activities

The table below shows the eligible activities considered for 2024.

The main objectives to which these activities contribute are climate change mitigation, and to a lesser extent, transition to a circular economy.

Scope of Safran's activities			Key performance indicator (KPI)		
Climate target	**Activity eligible under European regulations**	**Group business lines**	**Turnover[1]**	**CapEx[2]**	**OpEx[3]**
Climate change mitigation	**3.21 Manufacturing of aircraft**	Manufacturing and Maintenance, Repair and Overhaul (MRO) activities (CCM 3.21): ■ Commercial aviation (PAX & freight) ■ Business jets ■ Helicopters ■ Military aviation and UAVs	✓	✓	✓
	4. Energy	■ Electricity generation using solar photovoltaic or wind technology (PPA) (CCM 4.1) ■ Production of heat/cool using waste heat (CCM 4.24)		✓	✓
	6. Transportation	■ Electric or hybrid vehicles (CCM 6.5)		✓	
	7. Property	■ Acquisition and renovation of buildings (CCM 7.2 and 7.7) ■ Energy efficiency equipment (CCM 7.3) ■ Charging stations for electric vehicles (CCM 7.4) ■ Instruments and devices for measuring (CCM 7.5) ■ Renewable energy technologies (CCM 7.6)		✓	
Circular economy	**1.2 Manufacture of electrical equipment**	■ 1.2 Manufacture of electrical and electronic equipment (including wiring) for industrial and professional use (NACE codes 26 and 27)	✓	✓	✓
	5.1 Repair, refurbishment and remanufacturing	■ 5.1 Repair, refurbishment and remanufacturing of electrical and electronic equipment (NACE codes 26 and 27)	✓		
	5.2 Sale of spare parts	■ 5.2 Sale of spare parts for electrical and electronic equipment (NACE codes 26 and 27)	✓		

NB: The NACE code refers to the classification of economic activities within the European Union.

(1) Turnover: Revenue.

(2) CapEx: Capital expenditure.

(3) OpEx: Operating expenses, including R&T, expensed R&D, and maintenance and upkeep of fixed assets related to the aerospace manufacturing activity.

Alignment of activities identified as eligible

In 2023, the Group reported the alignment of secondary activities such as real estate, electric or hybrid vehicles and renewable energy production.

In 2024, for the first time, the regulation allows the Group to extend the potential reporting scope to aligned aerospace manufacturing activities.

This analysis was carried out in accordance with the criteria of substantial contribution, the "do no significant harm" principle (DNSH) and the minimum safeguards (such as compliance with the OECD Guidelines and the United Nations Guiding Principles on Business and Human Rights).

a) Substantial contribution

Activities contributing to climate change mitigation:

For the Aerospace business

Alignment with the Taxonomy depends on compliance with the emissions criteria set by the ICAO for the certification of new aircraft. Metrics were assigned to aligned aerospace activities on the basis of the list of aligned programs centralized by EASA with airframers (publication delegated to ICF, consultancy mandated by EASA and the European Commission: EU Taxonomy for Aviation: Identifying Eligible Aircraft Models | ICF of December 12, 2024). The great majority of latest-generation aircraft meet these criteria, including the Airbus A220, A320neo, A330neo, A350; the Boeing 737 MAX, 787, 777-X; and the Embraer E2, ATR 42 and 72.

In addition, the new Delegated Regulation states that only fleet renewal qualifies as contributing substantially to the climate change mitigation objective (in view of the emission reductions provided by new aircraft compared with those they replace), thereby excluding aircraft contributing to the expansion of the fleet in service. For the aerospace industry, this will result in the application, to the aggregates measured, of a replacement coefficient representing the proportion of delivered aircraft that contribute solely to fleet renewal over the last ten years. This coefficient was published by EASA and set at 48% for 2024. (https://www.easa.europa.eu/en/downloads/140647/en)

For activities contributing to the circular economy objective

Indicators under activities 1.2 Manufacturing of electrical and electronic equipment, 5.1 Repair, refurbishment and remanufacturing of electrical and electronic equipment, 5.2 Sale of spare parts for electrical and electronic equipment were considered to meet the criterion for substantial contribution of each of these activities as defined in the Annexes to Commission Delegated Regulation (EU) 2023/2486 of June 27, 2023.

For secondary activities

The CapEx allocated by the Group to secondary activities relate to activities 4. Energy, 6. Transport, and 7. Real estate mentioned and detailed above. CapEx for each of these activities was deemed to meet the criterion for substantial contribution as defined in the Annexes to Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021. Where the Group reports adjusted CapEx for these activities, that CapEx corresponds to the plant and equipment listed in the activity's substantial contribution. Given the immaterial amounts of CapEx identified for each of these activities, the criteria for substantial contribution are not detailed in this Sustainability Statement.

b) Generic "do no significant harm" criteria for the other environmental objectives

The analysis of the "do no significant harm" criteria is the same for activities that make a substantial contribution to the climate change mitigation (3.21, 4.1, 4.24, 6.5, 7.2, 7.3, 7.4, 7.6, 7.7) and circular economy (1.2, 5.1, 5.2) objectives considered by the Group (these analyses cover the entire scope of the Group's product portfolio):

Climate change mitigation

Safran has integrated a climate change mitigation policy into the Group's strategy. The decarbonization objectives of its products and operations are described in section 5.1.2.1.2 ESRS E1.

Safran's transition plan (see section 5.1.2.1.2) covers all of its decarbonization targets and levers.

The analysis of compliance with this criterion was carried out activity by activity.

Climate change adaptation

To develop a fuller understanding of the impact of climate change on its physical assets (physical risks), the Group conducted an analysis of exposure to the consequences of climate change across the whole of its operations, covering risks arising from temperature variation, water management, wind and soils (see section 5.1.2.1.3 ESRS E1).

This analysis, carried out using climate modeling tools developed by a leading specialist in the field, characterized and assessed the nature and probability of exposure to certain risk categories and physical hazards. It was conducted at site-level. Adaptation measures associated with the main sites exposed are monitored in the business continuity plans.

Transition toward a circular economy

Safran undertakes to promote the Group-wide inclusion of circular economy practices across all product life-cycle phases.

To do this, it has set up processes to identify and assess material impacts, risks and opportunities related to the use of resources and the circular economy for its operations (see section 5.1.2.3 ESRS E5).

Sustainable use and protection of water and marine resources

Water is used by the Group mainly for sanitary purposes. Water from industrial processes that could represent a risk is subject to specific measures (treatment by continuously monitored stations or sent to a service provider to be purified before being discharged into the environment). Preventive or remediation measures are implemented wherever necessary (see section 5.1.2.2.2 ESRS E2). Sites subject to water stress have been identified. In accordance with Safran's HSE policies and procedures, sites implement the measures required by local regulations.

Prevention and control of pollution concerning the use and presence of chemical products

Safran complies with the requirements of the European Union's REACh (Registration, Evaluation, Authorization and Restriction of Chemicals) and POP (Persistent Organic Pollutant) regulations, which aim to improve the protection of human health and the environment against the risks related to chemical substances.

Safran's approach is to identify substances potentially of concern as early as possible to prohibit their use right from the design phase or to limit such use, by seeking safer alternatives where possible. The aim is to reduce the environmental impact of its activities. Given the magnitude of the matter at hand, substitution efforts must be prioritized allowing for risk of obsolescence, either regulatory or commercial, to prevent any risk of business interruption. Safran aims to limit the use of substances of concern on health and environmental grounds in all of its operational activities, as indicated in its HSE policy (see section 5.1.2.2.2).

The Group has assessed its main activities with regard to the use of certain substances defined in Appendix C of Annex I to the Climate Delegated Act.

The Group's aerospace products comply with points (b) and (c) of Annex C, as required by this DNSH criterion, by complying with the requirements referred to in Article 9(2) of Regulation (EU) 2018/1139 of the European Parliament and of the Council of July 4, 2018 (concerning common rules in the field of civil aviation) and the relevant amendments to the Chicago Convention. The application of other Annex C criteria, which prohibit the use of the substances mentioned therein, effectively makes any adaptation impossible for a manufacturing activity subject to Annex C, which is the case for the Group.

For this reason, the Group has chosen to present at the end of this report an assessment of the alignment of its main activities (aerospace manufacturing; manufacture, repair and sale of spare parts for electrical and electronic equipment), taking into account the application of Annex C criteria on the use of substances in accordance with the regulations applicable to the Group (see section 5.1.2.4.7 "Alignment assessment – conditional use of substances").

Protection and restoration of biodiversity and ecosystems

The Group has identified sites close to "key biodiversity areas" based on their GPS coordinates. In accordance with Safran's HSE policies and procedures, sites implement the measures required by local regulations. A Safran process allows for the annual assessment of compliance and its continuous improvement through an action plan.

c) Minimum safeguards

Implementation of minimum safeguards as set out in article 18 of Regulation (EU) 2020/852 of the European Parliament and Council of June 18, 2020 on a framework to facilitate sustainable investment has also been confirmed, through:

- Group commitments under the United Nations Global Compact (see section 5.1.1.3.1);
- the Group policy on integrity and compliance (see section 5.1.4.2.2 ESRS G1), regarding fair competition. Safran builds employee awareness on the importance of compliance with laws and regulations on competition (see section 5.1.4.2.2 ESRS G1);
- the duty of care plan on preventing serious harm to human rights and fundamental freedoms, to personal health and safety, and to the environment, resulting from the business operations of the Group, of the companies it directly or indirectly controls, and of the subcontractors or suppliers with which it maintains an established business relationship, when such operations stem from the relationship (see sections 5.1.3.2.1 ESRS S2 and 5.1.4.3.2 ESRS G1);
- fiscal policy: Safran's fiscal governance seeks to ensure that fiscal rules in all the countries where the Group operates are meticulously complied with (see section 5.1.4.3.2 ESRS G1).

These matters are covered by appropriate due diligence and mitigation measures based on risk assessment and internal procedures (see section 5.1.1.2.4 ESRS 2 GOV-4 "Statement on sustainability due diligence").

It is therefore considered that Safran met minimum safeguard requirements in 2024.

5.1.2.4.4 Evaluation and methodology

Approach to identifying financial eligibility indicators (Turnover, CapEx and OpEx)

Turnover (revenue) indicator

The proportion of turnover referred to in article 8 of Regulation (EU) 2020/852 is obtained by dividing the proportion of consolidated turnover from Taxonomy-eligible and -aligned economic activities (numerator) by the Group's total consolidated turnover (denominator). These amounts are taken from the Group's accounting and consolidation systems, with the notion of aircraft program an available analytical data point.

Consolidated turnover for the year ended December 31, 2024, which is the Taxonomy denominator, was €27,716 million (see Note 3.1 to the consolidated financial statements in chapter 3 of the Universal Registration Document).

CapEx (capital expenditure) indicator

In accordance with the Taxonomy Regulation, the denominator of the CapEx indicator includes all of the Group's capital expenditure related to purchases of property, plant and equipment and intangible assets, increases in right-of-use assets (IFRS 16) and increases resulting from business combinations (IFRS 3) recorded during the year. These amounts are defined in the notes to the consolidated financial statements, in chapter 3, notes 6. 1.1, 6.1.2 and 6.1.4.

In 2024, the amount of the denominator was €1,839 million, as detailed below:

Acquisitions for the year *(in € millions)*	2024	Note
Intangible assets	527	6.1.1
Property, plant and equipment	1,110	6.1.2
Right-of-use assets	202	6.1.4
TOTAL FINANCIAL STATEMENTS	**1,839**	

Eligible CapEx includes investments related to the Group's main activity, the manufacturing of aircraft (3.21), including capitalized R&D expenditure on programs.

Where applicable, the amounts of CapEx related to aircraft programs have been determined in the companies' financial and accounting information systems using allocation keys linked to the share of the program in the case of multi-program use of that CapEx.

In addition, there are investments related to secondary activities, concerning renewable energies, energy efficiency and electric charging stations.

In the category of renewable energy installations, CapEx covers photovoltaic solar panels, solar water heaters, heat pumps, wind turbines, cogeneration installations and heat recovery installations. In all cases, auxiliary technical equipment is included.

In the category of energy efficiency equipment, CapEx includes expenditure on: building insulation; window replacement; installation of new energy-efficient heating, ventilation and air-conditioning systems; installation of water saving systems; and installation of systems for measuring and regulating building energy consumption.

OpEx (operating expenses) indicator

In accordance with the Taxonomy regulation, the OpEx denominator includes R&T expenses, expensed R&D, building renovation costs, maintenance costs and asset-related maintenance costs.

Maintenance expenses and expensed R&D are allocated using a method similar to CapEx.

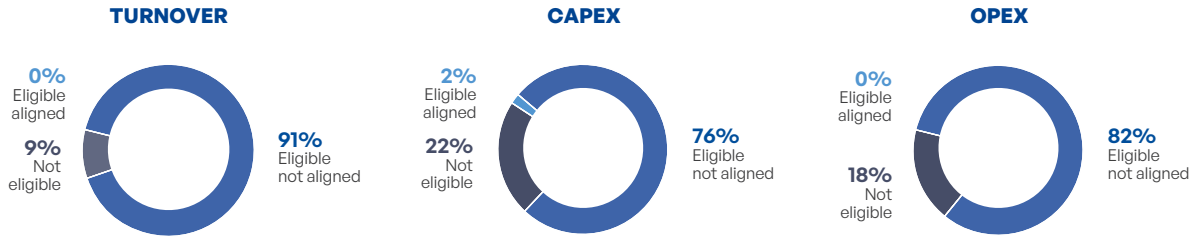
In R&T, the Group has charted more than 40 roadmaps for its projects. Eligible project proportions were identified for each roadmap and each project.

For the Energy business, maintenance expenses are primarily related to the installation of solar panels, wind turbines and heat pump assets.

The OpEx denominator was €2,105 million for the year ended December 31, 2024.

5.1.2.4.5 Eligibility and alignment results for 2024

Safran's eligibility and alignment results for 2024 are set out below:



	2023			2024		
Economic activities	**Aligned activities**	**Eligible activities**	**Total**	**Aligned activities**	**Eligible activities**	**Total**
Turnover *(in € millions)*	0	21,522	23,651	0	25,171	27,716
Proportion of turnover	0%	91%	100%	0%	91%	100%
CapEx *(in € millions)*	44	1,086	1,441	42	1,433	1,839
Proportion of CapEx	3%	75%	100%	2%	78%	100%
OpEx *(in € millions)*	0	1,509	1,879	1	1,730	2,105
Proportion of OpEx	0%	80%	100%	0%	82%	100%

Turnover

The Group's eligible turnover is consolidated revenue less the portion related to Land Defense and Space activities. It was €25,171 million, or 91% of the Group's total revenue, compared with €21,522 million in 2023 (91% of the Group's total revenue).

This increase reflects business growth in 2024, bearing in mind that the share of non-eligible activities in the Group's total turnover was constant.

A small proportion of manufacturing of aircraft turnover, relating to the Group's electrical and electronic businesses, is also eligible for the circular economy objective.

These activities represented €2,577 million in 2024, or 9% of revenue, compared with €2,043 million or 9% of revenue in 2023.

As mentioned in the analysis of the DNSH pollution classification criterion, its definition precludes any adjustment for a manufacturing activity subject to Annex C. This explains the zero alignment of Turnover.

At the end of the report, the Group has chosen to present an assessment of the alignment of its aerospace manufacturing activities, taking into account the application of the REACh regulation with regard to substances in accordance with the regulations applicable to the Group (see section 5.1.2.4.7 "Alignment assessment – conditional use of substances").

CapEx

Taxonomy-eligible CapEx amounted to €1,433 million in 2024, representing 78% of the Group's capital expenditure. In 2023, eligible CapEx was €1,086 million, 75% of capital expenditure.

This CapEx includes investments related to its main activity of manufacturing of aircraft (3.21), for €1,300 million in 2024, and investments in secondary activities, for €133 million.

Manufacturing of aircraft CapEx in the Group's electrical and electronic businesses, at €71 million, is also eligible for the circular economy objective.

The increase in CapEx between 2023 and 2024 mainly reflects the increase in property, plant and equipment related to aircraft programs.

Alignment of CapEx related to the manufacturing of aircraft is not possible due to the DNSH pollution classification criterion. The Group has chosen to present at the end of this report an assessment of its aligned CapEx related to this activity (see 5.2.4.5 Alignment assessment – conditional use of substances).

With regard to the alignment of secondary activities, Safran does not believe that the real estate projects included in eligible CapEx meet the highly ambitious energy criteria set out in the Taxonomy Regulation.

However, other investments relating to renewable energies, energy efficiency and electric vehicle charging stations are aligned when eligible.

OpEx

Taxonomy-eligible OpEx relate exclusively to the Group's principal activity and amount to €2,105 million. They include R&T expenses, expensed R&D, building renovation expenses, maintenance expenses and asset-related maintenance expenses.

Taxonomy-eligible operating expenditure (OpEx) amounted to €1,730 million in 2024, accounting for 82% of the Group's operating expenses, compared to €1,509 million (80%) in 2023.

A small proportion of manufacturing of aircraft OpEx, relating to the Group's electrical and electronic businesses, is also eligible for the circular economy objective, for a total of €105 million.

The increase in expenditure between 2023 and 2024 reflects business growth.

Alignment of OpEx related to the manufacturing of aircraft is not possible due to the DNSH pollution classification criterion. The Group has chosen to present at the end of this report an assessment of its aligned OpEx related to this activity (see section 5.1.2.4.7 "Alignment assessment – conditional use of substances").

All the regulatory tables in the format required by the annexes to the Taxonomy are available in section 5.1.2.4.6 "Regulatory Taxonomy tables".

5.1.2.4.6 Appendix: Regulatory Taxonomy tables

Standard tables

REVENUE

Fiscal year			Year	Substantial contribution criteria						Do no significant harm (DNSH) criteria									
	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, prior year (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic activities (1)		**€m**	**%**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**%**	**E**	**T**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover from environmentally sustainable activities (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0%**		
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacturing of aircraft	**CCM 3.21,** CE 1.2,CE 5.1,CE 5.2	25,171	91%	EL	N/EL	N/EL	EL	N/EL	N/EL								91%		
Turnover from Taxonomy-eligible but environmentally unsustainable activities (A.2.)		**25,171**	**91%**	**91%**	**%**	**%**	**%**	**%**	**%**								**91%**		
Turnover from Taxonomy-eligible activities (A)		25,171	91%	91%	%	%	%	%	%								91%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover from Taxonomy-non-eligible activities		**2,545**	**9%**																
TOTAL (A + B)		**27,716**	**100%**																

Y (YES) – Taxonomy-eligible and -aligned activity with respect to the intended environmental objective.
N (NO) – Taxonomy-eligible activity not aligned with respect to the intended environmental objective.
EL – Eligible: Taxonomy-eligible activity with respect to the intended environmental objective.
N/EL – Taxonomy-non-eligible activity with respect to the intended environmental objective.

The table below shows the shares of eligibility and alignment of Safran's turnover for the six objectives independently:

	Share of turnover/(total turnover)	
	Aligned	**Eligible**
Climate change mitigation (5)	0%	**91%**
Climate change adaptation (6)	0%	0%
Water and marine resources (7)	0%	0%
Circular economy (8)	0%	**9%**
Pollution (9)	0%	0%
Biodiversity and ecosystems (10)	0%	0%

CAPEX

Fiscal year				Year	Substantial contribution criteria						Do no significant harm (DNSH) criteria									
	Code(s) (2)	Absolute Capex (3)	Proportion of Capex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, prior year (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic activities (1)		**€m**	**%**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**%**	**E**	**T**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	5	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Production of heat/cool from geothermal energy	CCM 4.22	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Production of heat/cool using waste heat	CCM 4.24	1	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		T
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	16	1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%	E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	3	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Installation, maintenance and repair of instruments and devices for measuring	CCM 7.5	3	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	10	1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%	E	
Capex on environmentally sustainable activities (A.1.)		**42**	**2%**	**2%**	**%**	**%**	**%**	**%**	**%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**3%**		
■ of which enabling		39	2%	2%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	3%	E	
■ of which transitional		3	0%							Y	Y	Y	Y	Y	Y	Y	0%		T

Fiscal year			Year	Substantial contribution criteria						Do no significant harm (DNSH) criteria								
	Code(s) (2)	Absolute Capex (3)	Proportion of Capex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, prior year (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic activities (1)		**€m**	**%**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**Y; N**	**%**	**E**	**T**
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacturing of aircraft	**CCM 3.21,** CE 1.2	1,300	71%	EL	N/EL	N/EL	EL	N/EL	N/EL								67%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Renovation of existing buildings	CCM 7.2	43	2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3%		
Acquisition and ownership of buildings	CCM 7.7	47	3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2%		
Capex on Taxonomy-eligible but environmentally unsustainable activities (A.2.)		**1,391**	**76%**	**76%**	**%**	**%**	**%**	**%**	**%**								**72%**		
Capex on Taxonomy-eligible activities (A)		**1,433**	**78%**	**78%**	**%**	**%**	**%**	**%**	**%**								**75%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex on Taxonomy-non-eligible activities		**406**	**22%**																
TOTAL (A + B)		**1,839**	**100%**																

Y (YES) – Taxonomy-eligible and -aligned activity with respect to the intended environmental objective.
N (NO) – Taxonomy-eligible activity not aligned with respect to the intended environmental objective.
EL – Eligible: Taxonomy-eligible activity with respect to the intended environmental objective.
N/EL – Taxonomy-non-eligible activity with respect to the intended environmental objective.

The table below shows the shares of eligibility and alignment of capital expenditure (CapEx) of Safran's activities for the six objectives independently:

	Share of CapEx/(total CapEx)	
	Aligned	**Eligible**
Climate change mitigation (5)	**2%**	**78%**
Climate change adaptation (6)	0%	0%
Water and marine resources (7)	0%	0%
Circular economy (8)	0%	**4%**
Pollution (9)	0%	0%
Biodiversity and ecosystems (10)	0%	0%

OPEX

Fiscal year			Year	Substantial contribution criteria						Do no significant harm (DNSH) criteria								
Economic activities (1)	Code(s) (2)	Absolute Opex (3)	Proportion of Opex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, prior year (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		€m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	1	0%	Y	N/EL	N/EL	EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Opex on environmentally sustainable activities (A.1.)		**1**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0%**		
■ of which enabling		1	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
■ of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacturing of aircraft	CCM 3.21, CE 1.2	1,729	82%	EL	N/EL	N/EL	EL	N/EL	N/EL								80%		
Opex on Taxonomy-eligible but environmentally unsustainable activities (A.2.)		**1,729**	**82%**	**82%**	**%**	**%**	**%**	**%**	**%**								**80%**		
Opex on Taxonomy-eligible activities (A)		**1,730**	**82%**	**82%**	**%**	**%**	**%**	**%**	**%**								**80%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex on Taxonomy-non-eligible activities		**375**	**18%**																
TOTAL (A + B)		**2,105**	**100%**																

Y (YES) – Taxonomy-eligible and -aligned activity with respect to the intended environmental objective.
N (NO) – Taxonomy-eligible activity not aligned with respect to the intended environmental objective.
EL – Eligible: Taxonomy-eligible activity with respect to the intended environmental objective.
N/EL – Taxonomy-non-eligible activity with respect to the intended environmental objective.

The table below shows the shares of eligibility and alignment of OpEx of Safran's activities for the six environmental objectives independently:

	Share of OpEx/(total OpEx)	
	Aligned	**Eligible**
Climate change mitigation (5)	0%	**82%**
Climate change adaptation (6)	0%	0%
Water and marine resources (7)	0%	0%
Circular economy (8)	0%	**5%**
Pollution (9)	0%	0%
Biodiversity and ecosystems (10)	0%	0%

Taxonomy information for activities related to nuclear and fossil gas energy

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

5.1.2.4.7 Alignment assessment – conditional use of substances

In the absence of implementation guidance by the European Commission or France on the DNSH pollution criteria (EU Taxonomy - Appendix C), the Group reports in addition, as an entity-specific disclosure, a set of information considering the use of substances pursuant to regulations applicable to the Company for the alignment of its manufacturing of aircraft activity.

	In application of DNSH pollution prevention/control criteria					
	Taking into account the use of authorized substances under the applicable conditions (see section 5.1.2.4.2)			Avoiding any use of substances (see section 5.1.2.4.2 "Alignment of activities", paragraph b (DNSH) above)		
	2024			2024		
Economic activities	**Aligned activities**	**Eligible activities**	**Total**	**Aligned activities**	**Eligible activities**	**Total**
Turnover *(in € millions)*	**4,782**	**25,171**	**27,716**	0	25,171	27,716
Proportion of turnover	**17%**	**91%**	**100%**	0%	91%	100%
CapEx *(in € millions)*	**330**	**1,433**	**1,839**	42	1,433	1,839
Proportion of CapEx	**18%**	**78%**	**100%**	2%	78%	100%
OpEx *(in € millions)*	**471**	**1,730**	**2,105**	1	1,730	2,105
Proportion of OpEx	**22%**	**82%**	**100%**	0%	82%	100%

5.1.3 Social

5.1.3.1 Own workforce (ESRS S1)

5.1.3.1.1 HR fundamentals related to the workforce

[S1-4 AR41]

Safran's Human Resources (HR) policy is dynamic and proactive, rooted in the Group's awareness that its people are its main strength. The Group aims to be an exemplary employer for everyone, everywhere in the world, and this is one of the three levers of its CSR policy.

This ambition takes shape through the actions of the Group Human and Social Responsibility Department and is focused on three commitments:

- ensure health and safety of employees, improve the quality of life at work and maintain a thriving social dialogue;
- continue to develop skills and commit to regions;
- encourage equal opportunities and promote inclusion and diversity.

The foundations of the HR policy are: developing skills and creating career development opportunities, ensuring a quality work environment, encouraging equal opportunities, diversity and inclusion, and encouraging collaboration and mutual support.

Description of the Group's workforce

The Group's workforce mainly consists of salaried employees[1]. At December 31, 2024, Safran had approximately 103,000 employees, mostly located in Europe (62%, including 52% in France), the Americas (26%), Africa and the Middle East (7%), and Asia-Oceania (5%).

- Non-employees include temporary employees, interns and international corporate volunteer (VIE) program participants. They represented 8.5% of the Group's total workforce at December 31, 2024. As explained in section 5.1.1.1.1, for the purposes of this Sustainability Statement, Safran has opted to use the CSRD transitional provisions, and will therefore disclose the characteristics of non-employee workers in its own workforce in its Sustainability Statement covering the 2025 fiscal year.

Material impacts, risks and opportunities and their interaction with strategy and business model

Safran's double materiality assessment enabled the Group to identify the IROs related to its own workforce and therefore to confirm the social topics associated with its strategy and business model.

The results of the double materiality assessment – which identified eight risks, two positive impacts and six negative impacts – reflect the importance Safran places on employees within its overall business strategy. The IROs have been combined into four main topics:

- Health and safety & Quality of life at work;
- Diversity and Inclusion;
- Attract & retain talent and develop skills;
- Quality of social dialogue.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

[ESRS 2 SBM-3-48] [S1.SBM-3 13a] [S1.SBM-3 13b] [S1.SBM-3 14a] [S1.SBM-3 14b] [S1.SBM-3 14c] [S1.SBM-3 14d] [S1.SBM-3 14e] [S1.SBM-3 14f (i and ii)] [S1.SBM-3 14g (i and ii)] [S1.SBM-3 15] [S1.SBM-3 16]

(1) *Employees for the purpose of the CSRD include permanent employees and temporary employees, i.e., 99,364 employees, as well as work-study students (3,474 people) and postgraduate students under industrial training-through-research agreements (CIFRE) (220 people).*

ESG topic 4

Health and safety & Quality of life at work

IROs	Description	Type	Time horizon	Policies related to the IRO
Business disruption, loss of performance and productivity due to the deterioration of working conditions at Group sites	Slowdowns, business interruptions or reduced productivity and attractiveness related to an increase in workplace accidents and occupational illnesses (severity and frequency) among employees and non-employees working on-site, with additional costs associated with resolving such incidents.	R	LT	HSE policy
Penalties, legal action, compensation costs and business continuity risks in the event of failure to comply with occupational health and safety agreements and regulations	Criminal or administrative penalties, fines, legal proceedings and litigation costs in the event of accidents, non-compliance with occupational health and safety regulations or a deterioration in the quality of life at work jeopardizing the health and safety of employees. Compliance costs related to occupational health and safety regulations. Business disruption or interruptions if sites are ordered to stop, slow down or modify their operations due to major non-compliance with occupational health and safety regulations.	R	ST	HSE policy
Deterioration of the physical and mental health of employees due to poor working conditions or inadequate social protection	Endangerment of the physical and mental health and safety of employees. Impact of poor working conditions on employee satisfaction and increased absenteeism, affecting overall team well-being. Inadequate or non-existent social protection, particularly for vulnerable employee groups.	I–	ST	HSE policy
Failure to respect the human rights of employees in the event of discriminatory practices or harassment in the workplace	Violation of the rights of employees subjected to discrimination or harassment in the workplace or in connection with their professional activity.	I–	ST	Human Rights policy
Deterioration of employee health and well-being in the event of high turnover	Deterioration of employees' working conditions due to retention difficulties, leading to team disruption and longer onboarding and training periods for new employees, and affecting their motivation and commitment at a time of high activity.	I–	ST	HSE policy

ESG topic 5

Diversity and inclusion

Damage to the employer brand and reputation due to a lack of diversity or proven or suspected incidents of discrimination or harassment	Difficulty in attracting and retaining talent in the absence of diversity and inclusion policies aligned with employee expectations, deterioration of workplace relations and loss of trust in management if preventive and corrective measures are not adopted. Deterioration of relationships with external stakeholders: damage to the company's image within the sector and in the media in the event of proven or suspected incidents of discrimination or harassment within the Group.	R	MT	Diversity and Inclusion roadmap

ESG topic 6

Attract and retain talent & develop skills

Socio-economic benefits for local communities through the maintenance or consolidation of local economic activity	Positive repercussions of the revitalization of regional economies and local communities, direct and indirect job creation, and action against regional desertification, industrial sites or commercial businesses that can drive employment in the region and create value for their ecosystem, skills development and stimulation of research and development in the region, and development and strengthening of the social fabric through support for projects and social initiatives that foster social cohesion.	I+	ST	Recruitment policy and employer brand

ESG topic 6				
Attract and retain talent & develop skills				
Development of the employability of employees and value chain workers through the Group's training activities	Development of the employability of employees through the high-level training offered by the Group, mobility opportunities within the Group, and the certifications awarded. Contribution to the upskilling of sector workers (upstream and downstream) and their employability and mobility, made possible indirectly by Safran's training efforts. Contribution to greater professional stability for employees and value chain workers by guaranteeing them a level of training that allows them to secure sustainable employment and a satisfactory wage.	I+	ST	Talent management and training policy
Decline in the Group's attractiveness in the event of a deterioration in the image of the aviation sector	Increased recruitment difficulties related to perceptions of the aerospace industry, perceptions being an important driver of attractiveness for young talent, affecting the Group's performance if the aviation sector fails to address current challenges, thereby casting doubt on its viability.	R	LT	Recruitment policy and employer brand
ESG topic 7				
Quality of social dialogue				
Disruption or even interruption of operations in the event of a deterioration in social dialogue	Slowdown, disruption or even stoppage of operations due to social unrest, resulting in a decline in productivity. Additional costs and lost revenue in the event of business interruption, management of production and delivery delays, customer compensation, etc.	R	ST	Social dialogue policy

I+ Positive impact; I- Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

5.1.3.1.2 Metrics – Workforce

[S1-6] [S1-6 50a AR57] [S1-6 50f]

The reporting scope for all of the metrics set out below corresponds to the Group unless otherwise stated.

EMPLOYEE HEADCOUNT BY GENDER

[S1-6 50a AR57]

Gender	Number of employees (headcount)
Male	72,312
Female	30,723
Other*	4
Not reported	19
TOTAL EMPLOYEES	**103,058**

** Gender as specified by the employees themselves.*

TOTAL NUMBER OF EMPLOYEES BY COUNTRY (MORE THAN 10% OF THE WORKFORCE)

[S1-6 50a AR57]

Country	Total number of employees (headcount)
France	54,053
Mexico	13,324

In 2024, Safran had more than 10% of its total workforce in each of the following countries: France and Mexico.

TOTAL NUMBER OF PERMANENT, TEMPORARY, FULL-TIME AND PART-TIME EMPLOYEES (HEADCOUNT)

[S1-6 50b]

	Female	Male	Other*	Not reported	Total number of employees (headcount)
Number of employees *(headcount)*	30,723	72,312	4	19	103,058
Number of permanent employees *(headcount)*	28,346	67,488	4	19	95,857
Number of temporary employees *(headcount)*	2,377	4,824	0	0	7,201
Number of full-time employees *(headcount)*	28,871	69,433	4	19	98,327
Number of part-time employees *(headcount)*	1,572	2,127	0	0	3,699

* *Gender as specified by the employees themselves.*

FULL-TIME EMPLOYEES, AND BREAKDOWNS BY GENDER AND BY REGION

[S1-6 52a] [S1-6 AR55]

Number of full-time employees *(headcount, in units)*	Europe	Americas	Africa and Middle East	Asia and Oceania	Total number of employees (headcount)
Female	14,102	10,052	3,532	1,185	28,871
Male	46,404	14,812	4,022	4,195	69,433
Other*	0	23	0	0	23
TOTAL NUMBER OF EMPLOYEES *(HEADCOUNT)*	**60,506**	**24,887**	**7,554**	**5,380**	**98,327**

* *Gender as specified by the employees themselves.*

PART-TIME EMPLOYEES, AND BREAKDOWNS BY GENDER AND BY REGION

[S1-6 52b] [S1-6 AR55]

Number of part-time employees *(headcount)*	Europe	Americas	Africa and Middle East	Asia and Oceania	Total number of employees (headcount)
Female	1,526	23	1	22	1,572
Male	2,026	31	1	69	2,127
Other*	0	0	0	0	0
TOTAL NUMBER OF EMPLOYEES *(HEADCOUNT)*	**3,552**	**54**	**2**	**91**	**3,699**

* *Gender as specified by the employees themselves.*

DEPARTURES

[S1-6 50c AR59]

Reason for departure	Number of employees who left the company
Voluntary departure	6,076
Redundancy	2,761
Retirement	1,125
Death in service	97
Other involuntary departures	680
End of fixed-term employment contract	1,159
TOTAL DEPARTURES	**11,898**

Turnover rate (%) = 12.9% (total number of departures/number of employees) × 100

The methods used to calculate the metrics are described in section 5.1.5.1.

[S1-6 50d (i) (ii)] [S1-6 50e]

5.1.3.1.3 Management of impacts, risks and opportunities and measurement of Safran's performance

Health and safety and Quality of life at work (ESG topic 4)

The potential impacts, risks and opportunities relating to health and safety are a sub-topic of the "Health and safety & Quality of life at work" ESG topic.

Preserving employee health and safety and the quality of life at work is a fundamental priority for Safran. On industrial sites, employees are exposed to various risks inherent in activities through the use of production equipment, load handling, working hours, the use of chemicals and working at heights. Equal attention is given to mental and physical health, fostering an environment where everyone can thrive and work effectively.

Maintaining the attention paid by all teams to preserving the health and safety of employees and on-site partners, in all of the Group's host countries, is central to Safran's prevention culture.

The double materiality assessment identified two risks and three material negative impacts for Safran (the related IROs are set out below).

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 4

Health and safety & Quality of life at work

IROs	Description	Type	Time horizon	Policies related to IROs
Business disruption, loss of performance and productivity due to the deterioration of working conditions at Group sites	Slowdowns, business interruptions or reduced productivity and attractiveness related to an increase in workplace accidents and occupational illnesses (severity and frequency) among employees and non-employees working on-site, with additional costs associated with resolving such incidents.	R	LT	HSE policy
Penalties, legal action, compensation costs and business continuity risks in the event of failure to comply with occupational health and safety agreements and regulations	Criminal or administrative penalties, fines, legal proceedings and litigation costs in the event of accidents, non-compliance with occupational health and safety regulations or a deterioration in the quality of life at work jeopardizing the health and safety of employees. Compliance costs related to occupational health and safety regulations. Business disruption or interruptions if sites are ordered to stop, slow down or modify their operations due to major non-compliance with occupational health and safety regulations.	R	ST	HSE policy
Deterioration of the physical and mental health of employees due to poor working conditions or inadequate social protection	Endangerment of the physical and mental health and safety of employees. Impact of poor working conditions on employee satisfaction and increased absenteeism, affecting overall team well-being. Inadequate or non-existent social protection, particularly for vulnerable employee groups.	I–	ST	HSE policy
Failure to respect the human rights of employees in the event of discriminatory practices or harassment in the workplace	Violation of the rights of employees subjected to discrimination or harassment in the workplace or in connection with their professional activity.	I–	ST	Human Rights Policy
Deterioration of employee health and well-being in the event of high turnover	Deterioration of employees' working conditions due to retention difficulties, leading to team disruption and longer onboarding and training periods for new employees, and affecting their motivation and commitment at a time of high activity.	I–	ST	HSE policy

I+ Positive impact; I– Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

Health and safety policy

[ESRS 2 MDR-P] [S1-1 19] [S1-1 23]

Preserving employee health, safety and quality of life at work is a priority for Safran. The Group has a Health, Safety and Environment (HSE) policy – the most recent updated version of which was signed in 2021 by the Chief Executive Officer – in which it pledges to foster a culture of anticipating and preventing health and safety risks in order to effectively mitigate them as part of a continuous improvement approach. The policy involves everyone in the Group, from company CEOs and senior executives to managers and employees, across all entities and at all sites.

Appraisals of Safran's senior executives include in particular a health and safety objective.

Actions

[S1-4] [S1-4 37] [S1-4 43]

Safran has a multi-year health and safety roadmap in place containing targets that are adjusted in line with the health and safety topics identified by the Group.

The 2024-2028 roadmap is based on the following three pillars:

- raise awareness and roll out the critical risks prevention plan;
- strengthen health and safety leadership;
- develop a culture of transparency.

The following drivers were defined in 2024 for implementing this roadmap:

- work on identifying and dealing with the most critical risks and situations with a high loss potential (i.e., which could lead to a serious or fatal accident);
- reduce the number of lost-time work-related accidents;
- strengthen primary and secondary prevention, particularly in terms of psycho-social factors and ergonomics;
- assess Safran's working conditions and installations and rapidly invest what is required in order to protect employees and property;
- liaise between departments on a multi-disciplinary basis (health and safety, human resources, facilities management services, etc.), as sharing skills and knowledge helps prevention and adds value;
- change attitudes to danger and risk, and promote transparency and mutual, continuous attentiveness as part of a structured framework that everyone is aware of.

Budgets dedicated to risk prevention, in line with the Group's objectives and roadmaps and specific local topics, are an integral part of the overall budgets of each entity (including human resources, financial planning and capital expenditure plans).

[S1-4 38a] [S1-4-38b] [S1-4 40a]

In the event of a work-related accident or occupational illness, a comprehensive review is carried out of the employee's working conditions, and actions are taken over three phases: (i) immediate safety measures, (ii) remedial measures (e.g., modifying production equipment or adapting a procedure), and (iii) preventive measures. Line managers are responsible for implementing this approach, with the support of the HSE teams.

Prevention of psychosocial risks to promote well-being at work

The Group's "One Health!" roadmap promotes occupational, physical, mental and general health. There are three levels of prevention in mental health:

- primary prevention: preventive measures to maintain good health over the long term. They are based on the assessment of psychosocial factors by dedicated steering committees at the sites;
- secondary prevention: training, awareness-raising and publications on psychosocial factors regularly made available to employees (detection and support for people in difficulty, prevention of harassment and violence in the workplace, prevention of at-risk or addictive behavior);
- tertiary prevention: the management of work-related unhappiness by internal health services.

Listening to employees

In 2024, Safran finished analyzing the results of the international survey it launched in 2023 on employees' perception of the Group's health and safety culture. The underlying aim of the survey was to enable each entity to determine the actions required to channel Safran's prevention culture towards a Group-wide goal of zero serious or fatal accidents connected with the undertaking's operations.

Workstation ergonomics to put people at the heart of production systems

Within the Group, 80% of reported illnesses are attributable to musculoskeletal disorders (MSDs). Safran is maintaining its process of continuous improvement of workstations, notably to prevent the specific problem of MSDs. The HSE standard relating to the ergonomics of workstations sets out the tools, training, skills and organization of the ergonomics network. The Group's "ergonomics" roadmap reflects its determination to step up the mapping and reduction of risks. Each Group company adapts the roadmap, with a view to implementing appropriate actions that are consistent with its specific characteristics and challenges. In 2023, a steering committee was created with process representatives (development, industrialization, manufacturing, quality and HSE) to reinforce the cross-functional rollout throughout the Group. Given the predominantly manual nature of activities on Safran's production lines, greater effort is required to optimize workstation ergonomics from the design and industrialization phases.

The ergonomics network allows risks present in workstations to be detected, and contributes to their elimination.

Preventing road risks

Employees are exposed to the risk of traffic accidents during business trips and when commuting. The HSE Guidelines feature a road risk standard, showing that preventing road risks is an integral part of the Group's overall prevention approach. A road risk prevention charter covers all sites worldwide.

Action plan follow-up: HSE reference framework and site audits

[S1-4 38d AR38 and AR39] [S1-5 47b]

Safran has a reporting system that is used by all of its sites, which means that the main metrics for health and safety events can be tracked monthly (accident rates, major incidents). Occupational illnesses are monitored using the same reporting system on an annual basis. The system includes a traceability tool for work-related accidents and occupational illnesses which is used to observe patterns and make any necessary changes to the health and safety measures in place. This overall reporting system enables us to measure the impacts of our workplace health and safety policy and roadmaps. The reported data is shared with the HSE managers of each Group entity and is presented to the Group Executive Committee monthly. Company/site reporting data is shared at the relevant level, and the HSE manager at that level is responsible for ensuring the reliability of the metrics.

The HSE policy is rolled out on the basis of group internal guidelines. These guidelines have been endorsed by an external organization as meeting the requirements of environmental management (ISO 14001) and occupational health and safety management (ISO 45001) standards. They also meet Safran's specific operational requirements.

In addition to these metrics reported within the Group, HSE audits are carried out to verify the accuracy of sites' HSE maturity self-assessments (see targets below). These audits are performed by Safran auditors with the assistance of external auditors (see the section on targets below). All manufacturing sites are audited annually. Safran's HSE management system is audited by Bureau Veritas based on the ISO 14001 and ISO 45001 management standards.

Process for identifying requisite actions and related targets

[S1-4 39 AR34] [S1-47a] [S1-5 47c]

The Group identifies key areas for progress by (i) analyzing general HSE trends (regulatory developments, societal changes, other companies' best practices), (ii) surveys conducted among Safran employees (psychosocial risks, HSE culture) and (iii) drawing on the results of the various metrics in place, both in terms of consequences (accident rates, occupational illnesses, property damage) and prevention maturity (best practices, identification and handling of high-loss potential incidents). Sharing feedback throughout the Group helps raise awareness of incidents and their root causes and how to prevent them going forward.

[S1-4 41]

Change management, including related to organizational changes, is built into Safran's best-practice standards for health and safety risk prevention. Analyses are carried out prior to any project being launched in order to identify and prevent any associated risks.

Employees' medical data, personal data or data enabling them to be identified is managed in accordance with the General Data Protection Regulation (GDPR), in liaison with Safran's Data Protection Officer. Medical data is only accessible to occupational health departments and no health or safety data is sold to any third parties.

Targets

[S1-5] [S1-5 46]

Safran's main targets for 2024 were as follows:

- 0 serious or fatal accidents linked to its activities;
- reporting of at least 150 incidents with a high loss potential, which could otherwise have led to a serious or fatal accident;
- a ≤2.1 frequency rate for lost-time work-related accidents;
- rollout of HSE culture, well-being at work and ergonomics programs;
- ongoing implementation of the roadmap for Safran sites to reach gold-level maturity in terms of the Group's internal standards, which, combined with Safran's HSE manual, are compliant with ISO 14001 and ISO 45001.

Health and safety metrics

[S1-14 88a] [S1-14 88b] [S1-14 88c] [S1-14 AR81]

Health and safety metrics for Safran's workforce (employees)	2024
% of Safran's own workers covered by the Health & Safety management system[1]	100
Number of recordable work-related accidents with lost time	337
Frequency rate of lost-time work-related accidents[2]	1.9
Fatalities due to occupational illness	0
Fatalities due to work-related accidents	0
Total number of fatalities due to work-related accidents or occupational illness	0

(1) Safran uses HSE audits to verify the accuracy of sites' HSE maturity self-assessments.
(2) The methods used to calculate the metrics are described in section 5.1.5.1.

Health and safety metrics for other workers at Safran sites	2024
Total number of fatalities due to work-related accidents or occupational illness	1

Diversity and inclusion (ESG topic 5)

Safran opposes all forms of discrimination and seeks to create an inclusive corporate culture. Diversity and inclusion promote well-being, development and engagement by allowing everyone to feel respected, valued and free to be themselves. They are also catalysts for innovation and success for the Group.

The double materiality assessment showed that Safran is exposed to a material risk (described below) related to the "Diversity and inclusion" ESG topic.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 5

Diversity and inclusion

IROs	Description	Type	Time horizon	Policies related to the IRO
Damage to the employer brand and reputation due to a lack of diversity or proven or suspected incidents of discrimination or harassment	Difficulty in attracting and retaining talent in the absence of diversity and inclusion policies aligned with employee expectations, deterioration of workplace relations and loss of trust in management if preventive and corrective measures are not adopted. Deterioration of relationships with external stakeholders: damage to the company's image within the sector and in the media in the event of proven or suspected incidents of discrimination or harassment within the Group.	R	MT	Diversity and Inclusion roadmap

Ⓟ Positive impact; Ⓝ Negative impact; Ⓡ Risk; Ⓞ Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

Policies

[S1-1] [ESRS 2 MDR-P] [S1-1 19] [S1-1 24b]

Make Safran a more inclusive company

Diversity and inclusion are among the fundamental focuses of the Human and Social Responsibility Department. Safran is aligned with the principles of the United Nations Global Compact, including the elimination of all forms of discrimination in employment. Safran's Ethical Guidelines state that the Group does not tolerate any form of discrimination, whether based specifically on gender, disability, family status, age, sexual orientation, religious beliefs, trade union activity, political opinions or ethnic, social and cultural background, whether internally or externally.

As a signatory of the Diversity Charter[1] since 2010, Safran is committed to applying its principles at all of its sites, and in all of its human resources, management and decision-making processes.

In 2022, Safran conducted its first inclusion survey of all Group employees to gather their perceptions and expectations regarding diversity, inclusion and non-discrimination. The survey will be repeated in 2025 to allow comparison with the 2022 results and to provide a basis for monitoring and improvement.

Based on this survey and the ESG topics identified by the Group, Safran has drawn up a "Diversity and Inclusion" roadmap, approved by the Group Executive Committee, which is aimed at driving change, awareness and anti-discrimination initiatives, with two main objectives:

- instill and develop a culture of inclusion by changing internal practices and processes, raising awareness and organizing inclusion training, making inclusion measures visible, and taking action against discrimination;
- accelerate momentum on strategic priorities: gender, equal opportunities, multiculturalism, disability.

In terms of governance, this roadmap is presented to the Group Executive Committee each year, with a report on the past year's achievements and priorities approved for the upcoming year.

The roadmap is relayed and implemented in each Safran entity, via a Diversity and Inclusion officer. The role of this officer is to draw up and manage an action plan for their entity, to lead and/or coordinate the actions carried out at the various sites, and to share best practices within the Diversity and Inclusion network. Members of the human resources teams in the main countries and regions in which Safran operates are also involved in the roadmap's rollout to ensure that the actions taken comply with and respect local laws and cultures.

[S1-1 24a] [S1-1 24c] [S1-1 24d] [S1-1 24b AR15]

Gender equality

Gender equality in the workplace is essential for the Group, broadening visions to ensure that Safran is able to respond to the challenges in store. Safran is committed at every level of the company, including Executive Management, by applying a dynamic policy to promote gender equality, fairness and gender balance in all positions. Safran raises awareness of gender stereotypes and bias.

Safran builds its actions on three ambitions:

- bring about lasting change in corporate culture, in favor of greater inclusion and gender balance in the workplace;
- accelerate the professional development of women and their access to senior positions;
- increase Safran's attractiveness among women.

The objectives are reflected at the highest level. By way of illustration, the Chief Executive Officer's annual variable remuneration for 2024 includes an individual objective assessed on the increase in the number of women executives.

(1) *www.charte-diversite.com/signataires/*

Progress on gender equality is presented annually to the Board of Directors and regularly monitored by the Group Executive Committee. The management committees of Safran SA and its tier-one entities also regularly discuss the initiatives taken and their outcomes. The Group Human and Social Responsibility Department (HSRD) and the human resources departments of each Group company directly and cross-functionally supervise and coordinate the promotion of equality and gender balance.

Gender Equality European & International Standard (GEEIS)

Since 2018, the Group has had GEEIS certification for some of its entities. This reflects the Group's resolute commitment to gender equality in the workplace. Audits are carried out every two years to examine all policies, processes, managerial practices, actions and corporate culture in order to guarantee compliance with the requirements of the GEEIS certification. The certification has notably served to strengthen the management of the gender equality policy.

The following entities have received the label: Safran SA for the Group policy, Safran Electrical & Power France, Germany and UK, Safran Aircraft Engines France, Safran Transmission Systems France, as well as the entities of Safran Aerosystems France and one of its entities in the United States.

In Mexico, the Group has been awarded NMX-R-025-SCFI 2015 certification for labor equality and non-discrimination.

In 2024, Safran signed up to the UN's Standards of Conduct for Business for tackling discrimination against LGTBI people with a view to further reinforcing its culture of inclusion and non-discrimination.

Disability: inclusion and job retention

Since 2010, Safran has been running a proactive policy on the inclusion of people with disabilities, set out in a "Disability" agreement applicable across all of Safran's legal entities in France. Mission Handicap, which is part of the Recruitment and Talent Development Department, is tasked with implementing this agreement and coordinating the network of more than 100 disability correspondents and liaison officers on the various sites. Their main role is to implement the disability policy in their company and site. They also play a role in supporting employees on a day-to-day basis and raising awareness among managers and within teams.

The disability policy has five main focuses:

- job retention through:
  - multidisciplinary units to study individual situations and prevent the risk of incapacity,
  - the adaptation of workspace or provision of disability compensation tools (hearing aids, etc.),
  - training for company staff who assist employees with disabilities,
  - assistance for employees with the administrative procedures involved in obtaining recognition of disability status;
- recruitment through:
  - the implementation of a process for promoting applications from people with disabilities,
  - the establishment of a disability unit to create a pool of potential candidates,
  - the development of partnerships with non-profits and specialized recruitment firms,
  - the development of partnerships with online job boards specialized in disabilities and participation in forums and fairs for the employment of people with disabilities;
- collaborative programs developed with the sheltered and supported employment sector by forging partnerships with, and subcontracting out to, sheltered workshops and similar organizations. Purchasers make use of these structures whenever possible;
- improved inclusion on sites with the rollout of the Afnor "disabled-friendly organization" compliance approach. This approach incorporates disability into all company processes. Close to 30 sites made a commitment to the process in 2024;
- training to improve the skills of people involved in disability policy (recruiters, HR, managers, IRP, etc.) on various topics, and awareness raising throughout the year to ensure an inclusive environment.

Social and professional integration of young people

Safran is committed to the social and professional integration of young people, offering them career guidance and training and employment opportunities. A European agreement, signed in 2013 between Safran and the European trade union federation IndustriALL Europe, was renewed in 2024. By renewing this agreement, Safran has reiterated its commitment to the employment of young people, who have a key role to play in the development of the aerospace industry. The new agreement has three main objectives:

- contribute to vocational training for young people;
- ensure capacity development and skills renewal;
- promote diversity and inclusion to create an increasingly diverse pool of young talent.

Seniors

In addition, to maintain a balance between generations, the Group is committed to helping seniors stay in employment. In France, a Group-wide agreement has been signed to help Safran retain its experienced employees, prepare for the hand-over to the younger generation, and ensure the effective transmission of skills. One of the key objectives of this agreement was that every year until 2025 at least 10% of the Group's new permanent hires in France would be aged over 50. The agreement also provides for reskilling measures and contains end-of-career adjustment measures that factor in employees' physical condition and provide for a gradual decrease in working hours so they can ease into retirement.

Actions

[S1-4 40a] [S1-4 37]

The overarching aim of the Group's roadmap is to promote inclusiveness for everyone, whatever their differences, and to create an inclusive working environment by fostering awareness, training and a culture of dialogue.

A wide range of initiatives are regularly launched at various levels of the organization (Group/companies/sites) and on different scales (worldwide or national). Examples include:

- communicating at frequent intervals about what the Group is doing to promote inclusiveness and raise awareness about inclusion-related issues;
- a wide range of awareness-raising conferences and educational workshops. Training courses are also offered to employees, either on a face-to-face basis or remotely via MOOCS platforms, on topics such as unconscious bias, verbal abuse, anti-sexism, and fighting discrimination against LGBTI people and people with disabilities. In 2024, training about unconscious bias was organized for the members of the Group Executive Committee.

In 2024, an action plan was launched to combat LGBTI discrimination in the workplace, with the signature of the UN's Standards for Business Conduct, a MOOC produced by SOS Homophobie and proposed to the Group's employees in France, and events organized at Group sites during Pride Month and Coming Out Day.

Specific actions to promote gender equality in the workplace

The Group launched several actions in 2024 to empower its female employees, including mentoring systems and "Talent Boost" and "Talent Boost Advanced" leadership training programs. In addition, awareness-raising campaigns on unconscious bias and the fight against ordinary sexism and verbal abuse have been proposed in the entities, through theatrical sketches followed by discussions and debates with employees.

The percentage of women in senior executive positions[1] rose from 19% in 2023 to 22% in 2024, ahead of the 2025 target set by the initial roadmap. HR processes are reviewed regularly to strengthen the identification of female talent pools and facilitate gender equality at all levels and in all business lines, through career committees, succession plans and recruitment.

Promotion of gender diversity within its ecosystem

Safran carries out initiatives outside the Company to combat stereotypes and encourage young women to enter the technical scientific professions.

Many Group employees are involved in non-profit organizations such as Women In Aviation in Singapore, the Women's Engineering Society in the United Kingdom, and Girls Take Flight in Canada. In France, several hundred of the Group's female employees are sponsors in the Elles Bougent non-profit organization, whose aim is to encourage girls and young women from middle and high school and university to choose STEM pathways and careers, with Safran's female ambassadors promoting the industry.

Programs to help young people enter the world of work

Safran participates in numerous guidance and training initiatives, notably to promote technical professions, in schools and universities or by inviting young people to its sites.

A wide range of activities is organized for schoolchildren and students of all ages, including on-site visits, presentations of our businesses, and fun workshops.

Reaching out to young people through corporate philanthropy

Since 2004, Safran's corporate philanthropy focus has been on supporting young people. Our work in this area is carried out via two corporate foundations as well as through direct sponsorship, all funded by the Group:

- **The Safran Foundation for Integration:**

  The Safran Foundation for Integration provides support for young people with disabilities or in situations of great vulnerability. It supports professional integration projects, particularly in a mainstream environment, as well as social integration projects in the areas of housing, culture and sport.

  The Foundation's mission is to help young people with disabilities or from disadvantaged backgrounds to live their lives in as similar a way as possible to other people of their generation.

  To achieve this aim, it supports its main partners through multi-year contracts, such as the partnership with the Fratries endowment fund to create shared housing for young workers (either with or without disabilities), and the partnership with Entourage, a non-profit that helps find employment for young homeless people.

- **The Safran Foundation for Music:**

  The Safran Foundation for Music supports talented young musicians as they start their professional journeys to become leading performers in the classical music world of tomorrow, by offering them scholarships to study or to prepare for international competitions for example. Each year, it awards a prize to a young talent following a public competition. Many generations of virtuosos have also benefited from partnerships (often long-term) forged with venues that have a genuine commitment to promoting young talent.

- **Sponsorship programs:**

  Safran supports concrete educational initiatives. Its actions are focused on improving the acquisition of mathematical and scientific knowledge.

  In addition, following on from the emergency support it provided in Morocco in 2023, in 2024, the Group has signed up to two long-term educational projects in regions hit by the September 8, 2023 earthquake.

  Expenditure on philanthropic activities (foundation and sponsorship activities) amounted to almost €1.5 million in 2024.

(1) Correspond to the members of the Group's Executive Committee and employees who are classified into four top-management categories ("bands") based on their level of responsibility. This classification is linked to the Willis Towers Watson Global Grading System method.

The Group's employees and sites also get involved directly in a wide range of direct actions. For example, their donations of money and equipment, as well as volunteering initiatives organized within Safran entities, have helped many non-profits and local communities, especially those that support people with disabilities and chronic illnesses. The year 2024 saw the completion of more than 650 community initiatives by all companies at their sites and by their employees around the world.

Tracking and assessing actions/initiatives and resource allocation

[S1-4 38d AR38 and AR39] [S1-4 39 AR34]

One of the ways that the Group assesses the effectiveness of its actions and initiatives in delivering outcomes for its own workforce is through certifications. For example, it has been awarded NMX-R-025-SCFI 2015 certification in Mexico for labor equality and non-discrimination, and has kept its GEEIS (Gender Equality European and International Standard) accreditation. In addition, some of the Group's sites in France are handi-accueillant certified, demonstrating that they are disability-friendly workplaces.

The results of its first Diversity and Inclusion survey gave Safran insight into its people's perception on diversity and inclusion within the Group. From now on the survey will be carried out annually across all sites, and will be an effective tool for gauging employees' views of the actions taken by Safran, as well as for identifying new action plans to prevent, or deal with, any potential negative impacts on its workforce.

[S1-4 41]

When following its roadmap, Safran ensures that the principles in its Ethical Guidelines are respected. These state that the Group does not tolerate any form of discrimination, whether based on gender, disability, family status, age, sexual orientation, religious beliefs, trade union activity or ethnic, social and cultural background, whether within or outside the Group. It also strictly respects the General Data Protection Regulation (GDPR), whose application is overseen by Safran's Data Protection Officer.

[S1-4 43]

Budgets dedicated to the Group's objectives and roadmaps and specific local issues are an integral part of the overall budgets of each department (including human resources, financial planning and capital expenditure plans). The budget for the Mission Handicap program in France, which supports employees with disabilities, is centralized and then allocated to each company according to need.

2024 targets and achievements

[S1-5] [S1-5 46]

Safran had set an initial objective of increasing the proportion of women among senior executives across the Group to 22% in 2025. After achieving the initial target of 22% in 2024, up from 19.5% in 2023, a new target of 24% of senior management positions held by women has been set for 2025.

[S1-5 47a] [S1-5 47b]

This target is in line with the Global CSR framework agreement signed between Safran and the international federation of trade unions, IndustriALL Global Union, in which the Group's diversity and inclusion commitments are set out. The purpose of the agreement is to establish a consistent and transparent framework for respecting employees' fundamental rights in all of the countries in which the Group conducts business. It enables Safran to understand the views and concerns of its people via regular social dialogue, thereby ensuring continuous dialogue with the Group's employee representatives.

[S1-5 47c]

In 2024, women represented:

- 30% of the workforce;
- 37.3% of employees recruited;
- 22% of senior executives;
- 26.3% of Group Executive Committee members;
- 41.7% of Board of Directors members (see section 5.1.1.2).

However, the overall proportion of women in the aerospace sector and in industry in general is still low, particularly due to the low numbers of women entering engineering schools and technical jobs in most of the countries where the Group operates.

Diversity metrics

[S1-9] [S1-9 66a] [S1-9 AR71]

TABLE (EXAMPLE): BREAKDOWN BY GENDER (NUMBER AND %) OF SENIOR EXECUTIVES*

Gender	Number of senior executives	% of senior executives
Male	414	78%
Female	117	22%
TOTAL EMPLOYEES	**531**	**100%**

* *Correspond to the members of the Group's Executive Committee and employees who are classified into four top-management 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.*

[S1-9 66b]

EMPLOYEES BY AGE GROUP*

Age	Number of employees *(headcount)*	% of employees
Under 30 years old	23,468	23%
30-50 years old	53,880	52%
Over 50 years old	25,294	25%
TOTAL EMPLOYEES	**102,642**	**100%**

* *The completeness rate for age data is 99.58%.*

Attracting and retaining talent and Developing skills (ESG topic 6)

In terms of innovation in the aerospace value chain, Safran is positioned as an architect of comprehensive solutions, products and services. This positioning generates numerous needs in terms of operational and strategic resources, both expert and managerial.

In a context of major digital transformation and a commitment to decarbonize aeronautics, skills and careers are in the throes of a profound shift. Preparing and supporting these changes is a major challenge for the Human Resources function. Safran must guarantee the availability, in terms of both quality and quantity, of the skills required to respond to changes in the sector. These skills – which are both expert and managerial – correspond to operational and strategic resources that the Group needs to assure its long-term future (see section 4.3.3.3).

The double materiality assessment identified two positive impacts and one material risk for Safran (see list of IROs below) stemming from the "Attracting and retaining talent and Developing skills" ESG topic.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 6

Attract and retain talent & develop skills

IROs	Description	Type	Time horizon	Policies related to the IRO
Socio-economic benefits for local communities through the maintenance or consolidation of local economic activity	Positive repercussions of the revitalization of regional economies and local communities, direct and indirect job creation, and action against regional desertification, industrial sites or commercial businesses that can drive employment in the region and create value for their ecosystem, skills development and stimulation of research and development in the region, and development and strengthening of the social fabric through support for projects and social initiatives that foster social cohesion.	I+	ST	Recruitment policy and employer brand
Development of the employability of employees and value chain workers through the Group's training activities	Development of the employability of employees through the high-level training offered by the Group, mobility opportunities within the Group, and the certifications awarded. Contribution to the upskilling of sector workers (upstream and downstream) and their employability and mobility, made possible indirectly by Safran's training efforts. Contribution to greater professional stability for employees and value chain workers by guaranteeing them a level of training that allows them to secure sustainable employment and a satisfactory wage.	I+	ST	Talent management and training policy
Decline in the Group's attractiveness in the event of a deterioration in the image of the aviation sector	Increased recruitment difficulties related to perceptions of the aerospace industry, perceptions being an important driver of attractiveness for young talent, affecting the Group's performance if the aviation sector fails to address current challenges, thereby casting doubt on its viability.	R	LT	Recruitment policy and employer brand

I+ Positive impact; I- Negative impact; R Risk; Op Opportunity; ST: Short-term; **MT:** Medium-term; **LT:** Long-term

Talent management

Policy

[ESRS 2 MDR-P] [S1-1 19]

Safran is committed to building its employees' skills through a dynamic talent management policy, which:

- forward plans the Group's future skills needs;
- takes into account the aspirations of all employees;
- strengthens expertise;
- prepares the senior executives and leaders of tomorrow.

Skills requirements are identified through a process of forward-looking management of jobs integrated into a medium-term plan (MTP) and built on five-year industrial and financial forecasts.

This information is consolidated at Group level in order to build a comprehensive vision of the change in professions and skills that can be blended into support plans. This vision is based on a job description repository divided into four sections, 35 business lines and more than 160 benchmark jobs, which serves as an interpretive and analytical framework.

Actions

[S1-4 37] [S1-4 38d AR38 and AR39] [S1-4 40a]

The action plan associated with the Group's talent management policy has six key objectives:

1. Strengthen digital skills across all business lines:

The Digital Academy training platform allows users to acquire skills related to:

- the adoption of new approaches to product modeling using Model-Based System Engineering methodology;
- Product Lifecycle Management (PLM) and its optimization through digital continuity;
- the application of Lean 4.0 methods to support the transition to the industry of the future, such as augmented reality for quality control and assembly assistance, the use of cobots and robots for physical assistance, and closed-door machining;
- the use of data science across all business lines. This includes health monitoring, predictive maintenance and artificial intelligence for image recognition in a wide range of areas including cybersecurity, software development, and systems and technical architecture.

2. Support employees as they progress within the Group:

- implementation of a thorough integration process;
- promotion of a robust corporate culture based on Safran's values and the "Safran Together" leadership model;
- development of personalized career paths for all people across all of the Group's businesses. The mobility of employees and their ability to improve their skills are both a key to maintaining their employability and a prerequisite for the Group's transformation and agility. In order to offer diversified career paths tailored to each individual, the Human and Social Responsibility Department relies on:
  - performance and professional development reviews,
  - career committees in the operating companies,
  - business line committees, which meet several times a year.

A central mobility coordination team regularly brings together mobility officers from all Safran subsidiaries. It identifies needs, shares information between companies and assures the correct application of mobility rules. At the same time, another body deals specifically with the mobility of senior executives in companies.

3. Deploy the "Safran Together" leadership model:

Safran's leadership model was updated in 2024 to factor in changes and developments within the Group itself (strong international growth, high number of recruitments) and external changes (such as work organization and employee expectations). This new model is more inclusive, engaging and unifying, so that everyone feels involved and that Safran's overriding objective of excellence is embodied in its people's behavior. This framework is founded on four key principles: succeeding together, fostering an environment of trust, daring to innovate and committing to a shared vision.

4. Preserve and strengthen know-how:

- transmission of key knowledge between generations, particularly in the fields of mechanics, avionics and materials;
- promotion of the network of experts;
- reinforcement of skills associated with ecological transition: electrical, power electronics, energy management, systems, airworthiness and sustainable fuels.

5. Identify high-potential employees and support them in their professional development:

Safran's success and performance depend on its ability to retain talent, help its people build their careers, forward plan for transformational changes in work organization methods, and recognize and reward employees for their achievements. It does this through:

- applying a transparent and joint policy for the management of high-potential employees;
- developing programs, including mentoring, to sharpen business and behavioral skills;
- including high-potential employees in succession plans;
- setting up talent reviews by region to more effectively identify international talent and support these employees in managing their careers.

6. Enhance the appeal of the industrial sector, by:

- offering personalized career guidance for employees in this sector (assessment, cross-cutting skills, training, etc.);
- communicating about industrial professions to make the sector more attractive.

[S1-4 41] [S1-4 43]

Safran respects three fundamental principles in order to avoid any material negative impacts on its workforce:

- fair treatment of all job applicants;
- transparency (both within and outside the Group) throughout the human resources process;
- compliance with Safran's Ethical Guidelines and the procedure for preventing and detecting corruption risks.

The Group also ensures that its business is conducted with respect for privacy and the protection of the personal data of its employees and contacts (applicants, service providers, etc.).

Targets

[S1-5 46]

The key targets of the Group's talent management policy are aligned with the UN Sustainable Development Goals (SDGs 5, 8, 3, 4 and 10).

The target for the percentage of women holding senior executive posts Group-wide by 2025 is reflected in other annual targets, such as the proportion of women on management committees. The targets of the talent management policy include objectives related to the internationalization of talent.

Recruitment and employer brand

Policy

[ESRS 2 MDR-P] [S1-1 19]

Safran is continuing to develop its employer brand worldwide in order to increase the Group's attractiveness. The Group strives to ensure that its approach is consistent across its various host locations, where labor market needs differ and recruitment requirements are specific. Safran has therefore implemented a recruitment policy with the following key objectives:

- **recruit graduates who have completed internships, work-study programs, doctorates or international corporate volunteer programs** within the Group. Safran is committed to supporting this recruitment through its European framework agreement to support young people in transitioning from school to work;
- **diversify the profiles of new hires;**
- **increase the recruitment of engineers with doctorates;**
- **prioritize the recruitment of experienced profiles specialized** in fields such as materials, special processes, electrics and power electronics, as well as information and data technologies.

This policy also demonstrates Safran's commitment to attracting and integrating a diverse range of talents, from graduates to experienced professionals, to meet the technological challenges and needs of the aerospace industry. In 2024, Safran pursued its recruitment drive, hiring 18,263 employees worldwide, including 16,073 on permanent contracts and 2,190 on fixed-term contracts.

Actions

[S1-4 37] [S1-4 38c] [S1-4 38d AR38 and AR39] [S1-4 40a]

Numerous communication campaigns are run on social media and recruitment platforms to promote awareness of the Group's jobs of the future.

A system for allowing employees to put forward names of people for vacant positions has been introduced in France, the United Kingdom and the United States.

Events for students, including forums, roundtables, conferences, mock interviews and CV coaching by experienced recruiters and site visits, are organized on a regular basis. The many partnerships signed with target engineering, business and management schools and universities are managed dynamically; in 2024, they received support from an active network of more than 250 Safran employee ambassadors. The ambassadors participate in the design of the educational content of their schools, and organize or participate in numerous events between Safran and their partner school. The Group is strengthening its attractiveness in new digital skills thanks to partnerships with specialized schools, and data and cybersecurity masters programs, as well as via a communication campaign with recruitment targets and new digital ambassadors.

Regional development actions

Safran contributes to regional development through its recruitment policy, offering training for young people, and developing exchanges between the academic and business worlds to promote aerospace industry professions.

Safran has therefore set up partnerships with several schools and universities and plays a role in society by developing the knowledge and skills of the many young people who complete part of their training (through internships, work-study programs or PhDs) with the Group each year.

Opportunities for students to work on thesis topics or internships in fields related to the Group's technological activities, with Safran therefore helping develop their knowledge and employability (see section 5.1.4.4). Every year, many Safran employees give talks and lectures at well-known schools and universities. This engagement in broader society helps to bring young people into the workforce in high-tech professions, and also serves to unite the academic community around concerted scientific objectives, complementing bilateral mechanisms and research chairs.

Firm economic offset commitments to client governments, via which Safran also contributes to job creation by purchasing or investing directly in its host countries. The Group also contributes to strengthening the skills of talent in client countries by training qualified personnel. This is the case in India and Morocco.

Safran is also a "National Defense Partner" in France through the military reserve

Safran affirms its commitment to sovereignty by supporting French volunteer reservists in the army and the police, as well as veterans in the United States. In France, the law allows employees to devote up to 10 days of their working time each year to the military reserve. Since 2006, Safran has granted its employees an additional 10 days per year, giving them a total of 20 days of authorized paid time off to fulfill their reserve obligations. Nearly 100 employees are involved as committed citizens to help protect the country. In 2021, the Group strengthened its commitment by signing an agreement with the French Ministry of the Armed Forces to support the military reserve policy. In addition, in the United States, Safran supports veterans through fundraising, non-profit organizations and on-site actions, such as participation in special Memorial Day and Veterans Day events.

[S1-4 41] [S1-4 43]

Safran respects three fundamental principles in order to avoid any material negative impacts on its workforce:

- fair treatment of all job applicants;
- transparency throughout the human resources process;
- compliance with Safran's Ethical Guidelines and the procedure for preventing and detecting corruption risks.

Targets

[S1-5] [S1-5 46] [S1-5 47a]

Safran's Talent Acquisition Department oversees the Group's recruitment policy and standards.

All recruitment teams are required to respect the Group's fundamental standards and principles for hiring and onboarding new employees.

Training

Policy

[ESRS 2 MDR-P] [S1-1 19]

Training plays a crucial role in the Group's transformation, making it more agile, more digital and more innovative, while driving sustainable growth. It enables employees to develop the skills they need to keep pace with changes in society, which increases employee engagement and employability. Safran therefore created Safran University and a dedicated campus.

Safran University draws up the training roadmap and provides part of the training hours of all employees worldwide. Safran is certified by Qualiopi, a French label that recognizes the quality of its internal training organization's processes.

The Group's training policy, which is drawn up by Safran University, has three main aims:

- **define a strategic training offer** to develop skills within the various business lines in the fields of operational excellence, digital transformation, energy transition, business performance and support, managerial skills and leadership, diversity and inclusion;
- **develop innovative, high-performance educational solutions focused on the user experience** through best-in-class training tools and in-house content production.

  Safran University's educational approach is employee-centric and integrates the latest technological and neuro-pedagogical developments. Safran University encourages the "learning enterprise" approach through an educational and digital innovation plan and the implementation of methods related to social learning and the workplace, such as mentoring and tutoring. The courses are backed up by a range of teaching approaches and a variety of resources, combining e-learning via several platforms, virtual and face-to-face classes, immersive learning and on-the-job training;
- **continue to roll out a more efficient and international organization** to support the growth of training.

Actions

[S1-4 37] [S1-4 38c] [S1-4 38d AR38 and AR39] [S1-4 40a]

Safran's training offering comprises 230 strategic training programs, including reskilling programs for jobs in demand (software, operational safety and electronic card programming). The Group supports its employees who are seeking career moves into the new IT professions such as data scientists or enterprise architects. Training courses are also offered in relation to corporate social responsibility topics (e.g., anti-corruption measures, climate and diversity).

The training offering was expanded in 2024 with the launch of a program dedicated to developing and accrediting the skills of the Group's leading specialists. Two e-learning platforms were set up as part of this program:

- the Sustainability Academy, devoted to climate change challenges, CSR and the circular economy and aimed at raising awareness among all Group employees worldwide;
- the Supply Chain Academy, designed to deliver training to supply chain staff.

Also in 2024, the Group continued its drive to create a massive digital culture shift among its employees through its e-learning platform, the Digital Academy.

Professional training centers created by Safran worldwide

The Global CSR Framework Agreement, see section 5.1.1.3.1, stipulates that "in each country where it operates, Safran favors local human resources to fill available jobs and whenever possible, develops local integration".

This commitment is demonstrated in the provision of vocational training for aerospace jobs to facilitate skills transmission, as well as in Safran's support for research to encourage innovation at the Group's various locations.

For example:

- In India, the CFM Training Center allows Group employees and employees of local airlines to upgrade their skills. The joint venture between Safran Helicopter Engines and Indian company, HAL, provides support to national and international operators using helicopter engines, primarily the Indian air force, navy and army.
- In Morocco, Safran helped forge the partnership between the Moroccan government, the Moroccan Aeronautical and Space Industries Group (GIMAS) and France's Mining and Metals Industry Confederation (UIMM). It also supported the creation of the IMA aerospace vocational training institute and is partnering with Moroccan authorities to develop the country's research capabilities by creating doctoral programs in aerospace disciplines. Partnerships are also in place with École Centrale Casablanca and Mohammed VI Polytechnic University.

And since 2023, Safran University has had a campus in Casablanca which delivers training programs for the Group's Moroccan employees.

Developing a network of industrial schools

In 2024, Safran continued to expand its network of industrial schools.

The Safran Industrial Schools provide hands-on, operations-based training for technical professions, either on site or in partnership with external training centers. The purpose of the network is to bring the various schools together under a shared banner to accelerate ramp-ups, delivery times and industrial developments, while at the same time meeting stringent safety, quality and performance requirements. It is also intended to define and structure standards across the different schools, share best practices, promote collaborative intelligence and help launch new schools, therefore driving the skills development of Safran employees.

CampusFab training – preparing for the Factory of the Future

Since 2019, Safran has been partner and chair of Campus Fab, which provides acculturation and training for aerospace and space technicians and engineers in the jobs that will be part of the industry of the future.

Located in France, the campus is run by a consortium made up of industrialists, employment organizations and training centers, and is supported by the French State and France's *Investissements d'avenir* (Investments for the Future) program. It provides Safran employees with continuous training to prepare them for the challenges of tomorrow's digital factory, and plays a key role in the digital transformation of the Group's operations. Working alongside industry specialists, Safran University organizes training programs at CampusFab that are geared towards the Factory of the Future. All of these actions are designed to build the skills of the Group's employees by offering diplomas, such as the CQPM metallurgy qualification certificate for autonomous production unit technicians, as well as programming modules and training catalogs made available on digital platforms.

Targets

[S1-5 46]

The key targets of the Group's training policy are aligned with the UN Sustainable Development Goals (SDGs 5, 8, 3, 4 and 10).

Safran's flagship target in terms of training is to increase the average number of training hours per employee to 26 by 2025.

Training metrics

[S1-13 83b AR78]

Key training figures for 2024 worldwide

29 hours dedicated to training per employee on average.

Remuneration

Policy

[ESRS 2 MDR-P] [S1-1 19]

Remuneration and giving employees a stake in company performance

In order to ensure it has a strong employer brand, Safran's overall remuneration policy is aligned with market practices and complies with the statutory minimum wage levels in the countries where it operates.

Safran is committed to paying its employees in a fair and equal way, and its policy involves:

- taking into account local situations (local standards and laws in the various employment areas) and supporting job moves and promotions to encourage risk-taking and initiative. Close attention is paid to jobs subject to shortages, gender equality, starting salaries and employees beginning their careers. Specific sums are set aside to make up for any wage gaps;
- building remuneration partly on the basis of employees' individual performance and level of responsibility, but also partly on the collective performance of each company and the Group. In addition to Group agreements, Safran encourages the negotiation of local collective agreements in line with the applicable legal framework;
- offering differentiating and attractive benefits.

REMUNERATION PACKAGE OBJECTIVES AND STRUCTURE

** TSR: Total Shareholder Return.*

Safran also incorporates CSR objectives into its remuneration policies, mainly in optional employee profit-sharing agreements and long-term management remuneration plans see section 5.1.1.2.3.

The Group analyzes the consistency of its employees' remuneration, both internally and externally, using positioning and remuneration surveys provided by a benchmark provider, in order to attract potential applicants and retain employees.

In addition, Safran has put in place a number of employee profit-sharing systems, such as the Group employee savings plan (PEG) and the collective retirement savings plan (PERCOL) in France, and one-off operations such as the 2020 Profit Sharing Plan.

The PEG and PERCOL investment mechanisms benefit from a socially responsible investment (SRI) label as from January 1, 2023, with the exception of funds invested in Safran shares.

Adequate wage metrics

[S1-10] [S1-10 69] [S1-10 70]

Calculation scope and data collection method for remuneration metrics

The reporting scope for the remuneration metrics concerning adequate wages, the gender pay gap and the pay ratio covers all employees who hold an employment contract with a Safran entity. In order to ensure consistency of results, only employees with at least one year's seniority in 2024 were included, particularly because some remuneration components are subject to criteria based on seniority (e.g., variable remuneration).

The data collected represents 96% of the Group's workforce.

- Adequate wages

The proportion of the Group's workforce who receive an adequate wage is calculated taking into account their basic salary as well as guaranteed fixed bonuses, and excluding any other type of benefit.

In accordance with the CSRD, the benchmarks used for adequate wages are as follows:

- in the European Economic Area:
  - the minimum wage set by national legislation or the applicable collective bargaining agreement for Germany, Belgium, the Czech Republic, Spain, France, the Netherlands and Poland (this benchmark is being used pending transposition into national laws of EU Directive 2022/2041 on adequate minimum wages);
  - 60% of the national median wage for Norway and Finland;
- outside the European Economic Area:
  - the minimum wage set by national or regional legislation for Australia, Brazil, Canada, China, Egypt, Hong Kong, India, Japan, Malaysia, Mexico, Morocco, New Zealand, South Africa, South Korea, Switzerland, Taiwan, Thailand, Tunisia, the United Arab Emirates, the United Kingdom and the United States;
  - the adequate wage set by the Fair Wage Network for Singapore.

In 2024, all Group employees received an adequate wage based on the benchmarks used[1].

Remuneration metrics (pay gaps)

- Gender pay gap

[S1-16] [S1-16 97a] [S1-16 98]

For the purpose of calculating gender pay gaps, the remuneration taken into account includes basic salary, guaranteed fixed bonuses and variable remuneration.

Gender pay gaps have been calculated taking into account (i) job types, based on job categories, and (ii) the countries concerned. An average of the pay gaps by job category and then by country was calculated to determine the overall gender pay gap at Group level.

In 2024, the overall gender pay gap at Safran was 5.7%. In France, where Safran has the largest workforce, the gap is 2.6%.

CALCULATION OF THE AVERAGE REMUNERATION LEVEL

$$\frac{\text{Average gross hourly pay level of male employees} - \text{average gross hourly pay level of female employees}}{\text{Average gross hourly pay level of male employees}} \times 100$$

- Pay ratio

[S1-16 97b] [S1-16 97c]

The pay ratio, which is the ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration for all employees (excluding the highest paid individual), was calculated on the basis of total annual remuneration, comprising basic salary, guaranteed fixed bonuses, variable remuneration (bonus and mandatory and discretionary profit-sharing) and long-term remuneration plans.

For this calculation, all remuneration has been converted into euros.

In 2024, Safran's total annual pay ratio was 58, without any adjustments.

Quality of social dialogue (ESG topic 7)

Since its creation, Safran has made social dialogue a major focus of its corporate culture, contributing to the balancing and regulation of labor relations within the Group. As a shared foundation for labor policy, collective agreements demonstrate the Group's commitment to its employees and contribute to the success of the entire organization and to economic performance.

The double materiality assessment identified that Safran is exposed to one material risk associated with the "Quality of social dialogue" ESG topic, which is described below.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 7

Quality of social dialogue

IROs	Description	Type	Time horizon	Policies related to the IRO
Disruption or even interruption of operations in the event of a deterioration in social dialogue	Slowdown, disruption or even stoppage of operations due to social unrest, resulting in a decline in productivity. Additional costs and lost revenue in the event of business interruption, management of production and delivery delays, customer compensation, etc.	R	ST	Social dialogue policy

Ⓟ Positive impact; Ⓝ Negative impact; Ⓡ Risk; Ⓞ Opportunity; ST: Short-term; **MT:** Medium-term; **LT:** Long-term

(1) According to the Fair Wage Network, 0.2% of employees in Singapore earned less than an adequate wage in 2024. These employees are nationals of other countries (such as Malaysia) and receive other benefits such as housing, variable consideration or commute daily between their country of residence and the country in which they work. It mostly concerns technicians, operators and employees who are compensated according to their skills as well as market practices for their functions.

Social dialogue policy

[ESRS 2 MDR-P] [S1-1 19]

The Group undertakes to guarantee the proper representation of all its employees, freedom of association and respect for trade union rights in accordance with international standards (notably the ILO conventions) and local laws, through:

- membership of the United Nations Global Compact since 2014;
- application of a Global CSR Framework Agreement (see section 5.1.1.3.1).

The quality of the social climate is the result of ongoing dialogue between management, employees and their representatives. All dialogue is carried out with unfailing respect for trade union rights as defined by the ILO, the United Nations Global Compact, the OECD guidelines and local laws in each country, while maintaining an unbiased attitude towards the various trade union organizations.

Social dialogue takes place at the global, European, country, Group, company and subsidiary levels.

At the highest level, Safran's Board of Directors includes two Directors representing employees and two Directors representing employee shareholders.

Nearly 75% of employees have access to local employee representation bodies in their company.

Actions

[S1-2 27] [S1-2 27a] [S1-8 63b]

Safran's social dialogue bodies are adapted to local practice.

In Europe, social dialogue mainly revolves around the European Works Council (EWC) and the application of three agreements covering all European Union countries, plus Switzerland, Norway and the United Kingdom and signed between IndustriALL Europe[1] and Safran.

The committee responsible for monitoring the Global CSR framework agreement includes (i) employees from representative trade unions representing their continent or country, and (ii) representatives of IndustriALL Global Union, the global federation of industrial trade unions (see section 5.1.1.3.1).

Depending on the procedures provided for in the local legislation of the Group's operating countries, the employee representative bodies are kept informed of Safran's major corporate decisions, in particular its strategic and organizational choices and the impact these will have on employees.

Support for transformation in the Group

[S1-2 27b AR19]

In a resolute dynamic of sharing and listening, partner unions are regularly informed or consulted on the company's strategy, including industrial processes, employment, digitalization, financial issues, health and safety, CSR and new projects.

Social dialogue takes place with representative bodies and trade unions at the country, company and local levels. It is reflected in agreements signed at global, European, national and local levels. The rollout of these agreements is monitored with employee representatives through a number of dedicated committees.

In France, the European Works Council meets around eight times a year, and the French Group Committee generally holds two meetings a year.

The frequency of the meetings held by local employee representative bodies varies from country to country, but is generally monthly.

In the consultation processes organized with employee representative bodies prior to a project being implemented, the discussions mainly focus on the impact on employees of the project presented and the employee support to be provided, as well as a review of the proposals put forward by the employee representatives.

Social dialogue also takes place within the Group through negotiations, particularly for internal company agreements, and training for members of employee representative bodies.

In some cases, employee representative bodies (local Social and Economic Committees and the Central Social and Economic Committee in France, or the European Works Council) can commission a report from an independent expert to provide them with more detailed information about a particular transaction.

[S1-2 27c]

The executive management teams of Safran and its subsidiaries play an essential and proactive role in making sure that social dialogue does actually take place, and that its results are taken into account in the Group's overall strategy. The European Works Council and the French Group Committee are chaired by Safran's Chief Executive Officer and the local works councils are chaired by the CEOs of the subsidiary or entity concerned.

[S1-2 27d AR20]

The Global CSR Framework Agreement signed by Safran with the IndustriALL Global Union provides a solid structure and tangible commitments in terms of respecting employee rights, recognizing trade union rights and promoting social dialogue. Article 3.2 of this agreement highlights the importance of keeping up a steady stream of transparent and respectful dialogue between Safran and the trade unions in order to ensure fair working conditions and support CSR initiatives at all levels. In tandem, its overall content demonstrates the Group's commitment to promoting workers' rights and improving social and environmental actions.

The purpose of the agreement is to establish a consistent and transparent framework for respecting employees' fundamental rights in all of the countries in which the Group conducts business. It enables Safran to understand the views and concerns of its people via regular social dialogue, thereby ensuring continuous dialogue with the Group's employee representatives. This dialogue fosters a better understanding of employees' needs and expectations, and provides assurance that human rights principles are being applied consistently within the Group worldwide. It also underlines the Group's commitment to providing the best possible working conditions and taking care of its people's well-being.

[S1-2 27e] [S1-2 AR24]

Safran regularly carries out information and consultation processes with employee representative bodies about the Group's decisions, in compliance with local legal and regulatory procedures, such as prior to signing internal Company agreements. During these processes, full information is provided to the bodies concerned, enabling all stakeholders to be aware of the topics and decisions under consideration.

The opinions expressed by employee representatives during such processes are formally documented and discussed at meetings of the employee representative bodies, in the presence of management representatives. This guarantees that employee feedback is taken into account in decision-making processes.

(1) IndustriALL Europe is a European association of industrial trade unions. It is partnered with IndustriALL Global Union, which brings together unions in the metal, chemical, energy, mining, textile and related industries.

The employee representative bodies have dedicated budgets, some of which include specific funds to enable them to commission reports from independent experts so that consultation processes can take place based on full and impartial information.

For example, in 2024, the European Works Council requested an independent expert's report about the Aircraft Interiors business. Employee representatives have freedom of circulation within the Group's departments and are given time off from work so they can engage directly with members of staff. Once a year, the European Works Council (EWC) holds a two-day meeting in one of the Group's operating countries, to visit Safran sites and meet employees. On-site meetings were organized regularly in different countries by the EWC in order to maintain direct and continuous communication with employees.

[S1-2 28] [S1-2 AR23]

In 2021, a European framework agreement was signed between IndustriALL Europe and Safran, with the aim of preserving jobs by developing skills and securing professional careers. Safran is committed to ensuring the employability of all employees by increasing access to training, defining an annual number of hours of training per employee, and facilitating mobility. To that end, an annual European occupational observatory facilitates the sharing information on medium-term changes in jobs and skills in line with the Group's strategy and discussing ways of preparing and adapting the workforce to these changes.

In 2024, a new European "Family and Work Life" agreement was negotiated and signed with IndustriALL Europe. It provides a basis for very concrete joint actions for the Group's 60,000 employees in the European Union, Switzerland, Norway and the United Kingdom, taking into account the diversity of cultures, sensitivities and regulations between these countries. The agreement reflects a shared desire on the part of the Group and the European social partners to respond to changes in society and the expectations of employees through specific commitments on parenthood and employees caring for family members.

In France, 2024 was marked by the unanimous signing of several agreements granting rights to employees and aimed at continuously improving working conditions.

At local level, agreements can be negotiated relating to the medium-term business plan of the site concerned, covering topics such as investments, employment forecasts, and information for employee representatives about tracking the commitments contained in the agreements. An illustration of this approach is the "Future" agreement renewed by Safran Cabin in Herborn, Germany.

Processes to remediate negative impacts and channels for own workers to raise concerns

[S1-3] [S1-3 32a] [S1-3 32b AR28] [S1-3 32c] [S1-3 32d] [S1-3 32e AR32] [S1-3 33 AR31] [S1-4 AR33]

In addition to the access that all employees have to HR contacts and the employee representative bodies described above, Safran has set up formal complaint and whistleblowing processes, which are described on, and accessible via, the Group intranet and the website. and which employees can use to report any concerns and needs they may have in an anonymous, confidential and secure way. Through these channels, which are both internal and collaborative, employees can effectively voice their concerns and be assured that they will be appropriately addressed (see section 5.1.4.3.2).

These procedures include a whistleblowing system for reporting the existence or actual occurrence of risks.

The whistleblowing system meets all legal requirements on duty of care and the French Sapin II law. Employees who suspect that a practice or incident may be illegal or in violation of the Group's rules of business conduct have the right to notify or request guidance from their managers, the Head of Internal Control, the Head of IT Security, the Security Officer, the Head of Human Resources, the Ethics and Compliance Department, the Legal Department, the Finance Department, the Quality Department, the Audit and Internal Control Department, the Compliance, Ethics and Anti-Fraud Committee or the Group's ethical whistleblowing channel[1]. They can use the alert method of their choice.

The whistleblowing system has been presented to employee representatives and is accessible via the Group intranet.

Additionally, as part of the Global CSR Framework Agreement, a formal complaints handling process has been put in place to deal with any breaches of the principles and commitments contained in the agreement and to ensure that any disputes between its signing parties are effectively resolved. Local issues or complaints expressed by union representatives to IndustriAll Global Union are analyzed and whenever such issues or complaints are founded, constructive solutions are sought by IndustriAll, the Labor Relations Department and local management.

Agreements at each level of employee representation

[S1-4] [S1-4 37] [S1-4 40a] [S1-8 63b]

Social dialogue takes place with representative bodies and trade unions at the country, company and local levels. It is reflected in agreements signed at global, European, country (for France) and local levels. The rollout of these agreements is monitored with employee representatives through a number of dedicated committees.

(1) It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

Overview of company agreements and their scope:

Agreements and topics	Scope
Global CSR Framework Agreement (see section 5.1.1.3.1), among the topics covered: ■ Respect for trade union rights in accordance with international standards (notably the ILO conventions) and local laws ■ Fight against climate change and protection of the environment	100% of employees
Local company agreements: ■ Comprehensive local multi-year collective bargaining agreements: very broad scope within the company ■ Agreements signed with employee representative bodies: specific subjects and variable durations (working hours, optional employee profit-sharing, work-from-home arrangements, working conditions, union rights, gender equality, etc.)	■ United States, Canada, Mexico, Czech Republic, etc. ■ France, Belgium, Germany, Netherlands, United Kingdom, Switzerland, Morocco, Tunisia, Poland, Spain, Singapore, China
Collective bargaining agreements:	■ France (collective bargaining agreements of the metallurgy and rubber industries) ■ Germany (Hesse state Tariff agreement) ■ Belgium (joint commissions 209, 111 and 315; 01) ■ Netherlands (Metaal Unie) ■ Brazil (SIMMEC, SEAAC) ■ South Africa (National Textile Bargaining Council)
European collective agreements: ■ Development of skills and securing of career paths ■ Professional integration of young people ■ Family and work life balance	Europe 62% of Group employees
16 agreements applicable in France, including: ■ experienced employees ■ employee savings ■ pensions and personal risk insurance ■ parenthood ■ disability ■ training and management of jobs and career paths ■ prevention of stress at work ■ development of social dialogue	Applicable to companies in France 52% of Group employees

Social dialogue metrics

[S1-8] [S1-8 63a AR69] [S1-8 60b]

COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE – EUROPEAN ECONOMIC AREA (EEA)

	Collective bargaining coverage of employees – EEA *(for countries with >50 empl. representing >10% total empl.)*	Workplace representation (EEA only) *(for countries with >50 empl. representing >10% total empl.)*
80-100%	France	France

In 2024, more than 10% of Safran's total workforce for the European Economic Area countries was in France only.

CALCULATION OF THE PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

[S1-8 60a AR66]

$$\frac{\text{Number of employees covered by collective bargaining agreements}}{\text{Number of employees}} \times 100$$

CALCULATION OF THE PERCENTAGE OF EMPLOYEES WORKING IN ESTABLISHMENTS WITH WORKERS' REPRESENTATIVES

$$\frac{\text{Number of employees working in establishments with workers' representatives}}{\text{Number of employees}} \times 100$$

Human rights related to the Group's workforce (impact related to ESG topic 4)

As part of its double materiality assessment Safran identified one negative impact linked to the non-respect of employees' human rights relating to discriminatory practices or harassment in the workplace. This negative impact is related to the "Health and safety & Quality of life at work" ESG topic.

ESG topic 4

Health and safety & Quality of life at work

IROs	Description	Type	Time horizon	Policies related to the IRO
Failure to respect the human rights of employees in the event of discriminatory practices or harassment in the workplace	Violation of the rights of employees subjected to discrimination or harassment in the workplace or in connection with their professional activity.	I–	ST	Human Rights policy

I+ Positive impact; I– Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4.1).

Human rights policies related to the Group's own workforce

[S1-1 19] [ESRS 2 MDR-P]

Safran has several policies and charters in place on topics specific to human rights in the workplace, and in particular: the Health, Safety and Environment policy, the Responsible Purchasing policy, the Ethical Guidelines, the Code of Conduct for the Prevention and Detection of Acts of Corruption, the Diversity Charter, the Personal Data Protection policy, the Neutrality Charter, the Fair and Equal Culture policy, the Group's HR fundamentals and the Safran Together leadership model.

In addition to these policies and charters, towards the end of 2024, the Group launched a more general "umbrella" human rights policy, covering all of its employees worldwide. The aim of this policy, signed by the Group Chief Executive Officer and published on Safran's website, is to define the human rights principles applicable to all sites, including the Group's entire chain of activities worldwide, as well as to other stakeholders that could be impacted by its activities.

[S1-1 20]

As the Group is subject to French law no. 2017-399 of March 27, 2017 on the duty of care of parent companies, it has set up a compliance system, overseen by the Group's Ethics and Compliance Department, which reports to the Group Corporate Secretary, member of the Group Executive Committee. This department coordinates and implements Safran's duty of care plan – which covers, in particular, human rights in the workplace – in collaboration with the following departments: Audit and Internal Control, Climate, Responsible Purchasing, Legal, Diversity, Risk and Insurance, CSR, and HSE, as well as the Board Secretary's office. Each department establishes policies and actions to prevent risks as effectively as possible. The plan is approved and subject to regular review by the Compliance, Ethics and Anti-Fraud Committee.

In order to ensure that the Group meets its duty of care obligations in the course of its business, including respecting human rights in the workplace, a map of potential risks that could impact stakeholders has been drawn up and is improved on a continuous basis. The risks analyzed through this mapping process cover the various principles and treaties mentioned in the introduction to this data point, which Safran has undertaken to respect (see below).

[S1-1 20a]

With regard to its employees, Safran's Human Rights policy expressly includes vigilance related to:

- prohibition of all forms of forced labor and child labor;
- prohibition of all forms of harassment, violence and discrimination, and protection against intentional and unlawful harm;
- the rights to working and employment conditions that protect health and safety; an adequate wage; and training;
- the rights to freedom of association and collective bargaining;
- respect for privacy and personal data.

Through this policy, Safran and its employees undertake to:

- respect ethical values and behaviors and integrate them into the corporate culture; ensure compliance with the Group's internal policies; and monitor the effectiveness of associated progress plans;
- analyze risk-exposed situations, take action on the underlying causes and remediate consequences when necessary;
- recognize and reward positive contributions to risk prevention and encourage a learning culture;
- promote and ensure compliance with ethics commitments throughout the Group's chain of operations, including in relation to suppliers, service providers, subcontractors and distributors;
- report and manage any breaches of ethics rules, support those involved and protect whistleblowers.

Human rights governance

Respect for human rights is a central commitment for Safran and is embodied in the "Be an exemplary employer" and "Embody responsible industry" pillars of its CSR policy.

The system for monitoring human rights compliance is overseen by the Ethics and Compliance Department, which draws up an annual roadmap. In parallel with this monitoring system, the Human and Social Responsibility Department (HSRD) works on a daily basis to:

- build skills, encourage job moves and ensure that all Group employees have the best possible working environment;
- promote equal opportunities, diversity and inclusion, while supporting collaboration, mutual aid, social dialogue and respect for trade union rights, with the assistance of its network of liaison staff, particularly its Health & Safety and Diversity & Inclusion officers.

The Compliance, Ethics and Anti-Fraud Committee is tasked with overseeing that employees respect the general framework relating to compliance with the rules in the Ethical Guidelines and any changes in the applicable laws, regulations and internal rules, including in connection with human rights. This Committee is chaired by the Corporate Secretary, but all of the Group's departments are responsible for ensuring that their teams respect the compliance criteria. Its other permanent members are the Chief Financial Officer, the EVP International Development and Public Affairs, the EVP Corporate Human and Social Responsibility, the EVP Industrial, Purchasing and Performance, the Chief Legal Advisor, the Group Ethics and Compliance Officer, the Group Chief Security Officer, the Head of Audit and Internal Control, and the Head of Group Internal Control. The Committee meets twice a year.

Human rights metrics

Safran has a large number of metrics encompassing various aspects of labor law and human rights. These metrics, which are tracked by the Human and Social Responsibility Department, enable the Group to effectively measure the results of the corresponding actions put in place. Performance reports on these metrics and year-on-year comparisons are included in Safran's Duty of Care Plan.

[S1-1 20b]

Safran's Human Rights policy (described above) expressly includes a duty of care regarding the principles of freedom of association and collective bargaining. Safran's actions and commitments in this area are detailed in section 5.1.3.1.3, in particular trade union rights, as well as the rights associated with freedom of negotiation and social dialogue.

[S1-1 20c]

Any impacts on human rights are identified and dealt with via the Group's whistleblowing system, which complies with statutory requirements under France's duty of care law, including those related to human rights. The Group's Code of Conduct provides that anyone who suspects that a practice or incident may be in violation of the Group's rules or the applicable laws and regulations – notably regarding human rights – can report their suspicion through a number of different channels, i.e., reporting to line managers or a manager in the Internal Control, Security, Human Resources, Ethics and Compliance, Legal, Finance, Quality or Audit departments, or through the Group's secure and multilingual whistleblowing channel which is accessible to all stakeholders (employees, customers, suppliers, etc.), with the whistleblowing reports being entirely confidential and the whistleblower given the choice of whether they wish to remain anonymous[1].

The whistleblowing system guarantees:

- protection of whistleblowers' identities and no repercussions for whistleblowers reporting cases in good faith;
- traceability and confidentiality of the reports, with full security of the information handled;
- respect of data protection laws and regulations;
- information provided to the whistleblower about how the investigations are progressing, and their outcome;
- a presumption of innocence for the person(s) reported by the whistleblower, and information provided to such person(s) of the allegations made against them so they can prepare their defense;
- clear procedures for collecting, investigating and handling whistleblowing reports;
- precise definition of the conditions for archiving and destroying information once the process has been completed.

This system ensures that whistleblowing reports relating to human rights are handled in an ethical and transparent way within all Safran entities.

[S1-1 21 AR12]

When conducting its business, and particularly in its relations with its employees, since signing the United Nations Global Compact in 2014, the Group has been committed to complying with it and its ten principles relating to human rights, international labor standards, the environment and the fight against corruption. Safran signed up to the Global Compact in 2014, voluntarily undertaking to promote and uphold these universal principles in its business practices. The Group has developed its Duty of Care Plan within the framework of the OECD guidelines, the fundamental conventions of the International Labour Organization (ILO) and the UN International Bill of Human Rights. In addition, Safran contributes to the UN Sustainable Development Goals, with a particular focus on certain of these goals and their underlying targets.

In light of these commitments, the Group's Duty of Care system – which is overseen by the Ethics and Compliance Department and includes a duty of vigilance regarding respect for human rights – is aligned with the UN Guiding Principles on Business and Human Rights. These principles are therefore included in the risk repository underlying the risk map for the Group's duty of care obligations as required by the relevant law.

[S1-1 22] [S1.SBM-3 14f] [S1.SBM-3 14g]

Safran's "umbrella" Human Rights policy, which applies to all employees, in all Group subsidiaries and in all countries, expressly includes vigilance related to the prohibition of forced labor and child labor.

Consequently, the various HR policies in place within the Group, and in particular its recruitment policies, strictly prohibit forced labor and child labor, even if such forms of work are authorized or tolerated in certain countries where subsidiaries are based.

The Group's Duty of Care system – which is overseen by the Ethics and Compliance Department and includes a duty of vigilance regarding respect for human rights – encompasses the strict prohibition of forced labor and child labor. These elements are therefore included in the risk repository underlying the risk map for the Group's duty of care obligations, as required by the relevant law.

Metrics for 2024

[S1-17 AR105] [S1-17 AR106] [S1-17 103a] [S1-17 103b] [S1-17 103c] [S1-17 103d] [S1-17 104a] [S1-17 104b] [S1-17 104b]

- Total number of reports of discrimination, including harassment, made by employees and external stakeholders through the whistleblowing system: 43
- Number of human resources-related reports submitted by employees through the whistleblowing system: 80
- Number of complaints filed with the National Contact Points for OECD Multinational Enterprises: 0
- Total amount of fines, penalties and compensation paid as a result of the above reported incidents and complaints: 0
- Number of severe human rights incidents, including legal proceedings, formal complaints submitted through the whistleblowing system in 2024: 0

(1) *It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.*

5.1.3.2 Workers in the value chain (ESRS S2)

5.1.3.2.1 Respect for human rights (ESG topic 10)

With regard to respecting the human rights of value chain workers, the double materiality assessment identified two material negative impacts for Safran related to the "Respect for human rights" ESG topic. The related IROs are set out in the table below.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 10

Respect for human rights

IROs	Description	Type	Time horizon	Policies related to the IRO
Violations of the human rights of value chain workers in the event of failure in the Group's monitoring processes	Ineffectiveness or non-existence of prevention and control measures leading to the discovery of serious violations of the human rights of value chain workers attributable to the Group or its suppliers and subcontractors.	I–	ST	Human Rights policy
Violations of value chain workers' freedom of association and collective bargaining rights	Failure to respect the rights of value chain workers to freedom of association or to recognize their right to collective bargaining, with particular risk to certain groups of more vulnerable workers and those working in countries where laws on social dialogue do not provide adequate protection.	I–	ST	Human Rights policy

Ⓘ+ Positive impact; Ⓘ– Negative impact; Ⓡ Risk; Ⓞ Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

Human rights policies

[S2.SBM-3] [S2-1] and [S2-2] [S2-1-17] [S2-1 17a] [S2-1 17b] [S2-1 19] [S2-1 22d] [S2-4 AR43]

Safran's policies and commitments regarding the human rights of value chain workers are integrated into external and internal reference frameworks.

External reference frameworks

When conducting its business, the Group is committed to complying with the United Nations Global Compact and its ten principles relating to human rights, international labor standards, the environment and the fight against corruption. Safran has voluntarily undertaken to promote and uphold these universal principles in its business practices. The Group has developed its Duty of Care Plan within the framework of the OECD guidelines, the fundamental conventions of the International Labour Organization (ILO) and the UN International Bill of Human Rights. In addition, Safran contributes to the UN Sustainable Development Goals (SDGs).

Safran complies with applicable laws and regulations, including the European T3G regulation (also known as the Conflict Minerals Regulation), and US regulations under the Dodd-Frank Act, to ensure that the minerals it uses do not come from conflict zones. Although Safran only buys processed products, it is highly vigilant with regard to the origin of the minerals used in certain purchased products such as tin, tungsten, tantalum and gold. Purchasing volumes including such minerals are low.

One of the commitments Safran made in 2010 when it signed the Sustainable Procurement and Supplier Relations Charter was to integrate environmental and social responsibility topics into its purchasing process. Safran also holds "Sustainable Procurement and Supplier Relations" certification, which was awarded in 2017 and renewed in 2024. This certification is awarded to French companies that have demonstrated sustainable and balanced relationships with their suppliers, and is aligned with the NF ISO 20400 standard, Sustainable Procurement – Guidance.

Since 2020, Safran has been a signatory to the charter of commitments on customer-supplier relationships within the French aerospace industry through the French Aeronautical and Space Industries Group (GIFAS). The Group is accordingly reinforcing its responsible purchasing approach in the French supply chain and reaffirming its use of mediation.

Internal reference frameworks

Responsible purchasing policy

Safran has formally documented its commitment to responsible purchasing by putting in place a responsible purchasing policy, available on the Group's website, Ethical Guidelines, a Code of Conduct for the prevention and detection of corruption, and a set of procedures governing its procurement process.

Safran upholds an ethics policy consisting of the Ethical Guidelines, the code of conduct for the prevention and detection of acts of corruption and the anti-fraud policy. The Ethical Guidelines formally set out the shared, guiding values and principles of the Group. They form the basis of the body of policies, guidelines, procedures, standards, codes of conduct and internal guides adopted by the Group in the areas of ethics and good conduct. In these guidelines, Safran confirms its adherence to a number of fundamental principles, such as compliance with laws and regulations, including its duty of care, and respect for individual freedoms and human rights. The Guidelines also demonstrate how Safran is closely attentive to the ethical conduct of its stakeholders, especially its suppliers. Under no circumstances will Safran use suppliers that breach human rights and fundamental freedoms, in particular by using child labor or forced labor.

Safran's commitments are set out in the Global CSR Framework Agreement signed in 2024 (see section 5.1.1.3.1). which covers the entire scope of the Group's activities worldwide and applies to all employees, including relationships with suppliers.

This framework agreement specifies that in the event of a breach of human rights principles, or of any of the fundamental ILO conventions, fundamental labor standards or health and safety rules by a supplier or subcontractor, Safran will give the company concerned formal notice to remedy, and if the breach is not subsequently remedied, measures will be taken that could lead to the termination of contractual relations with the company. Safran's Responsible Purchasing Guidelines incorporate the supplier and subcontractor undertakings contained in the Global CSR Framework Agreement.

Human Rights Policy

Since 2024, in addition to its Responsible Purchasing policy, Safran has had an "umbrella" Human Rights policy that covers all the Group's activities worldwide. This policy, signed by the Chief Executive Officer and published on the Group's website, sets out Safran's human rights vigilance principles which are applicable to everyone throughout the Group, including its entire global chain of operations, as well as to other stakeholders potentially impacted by the Group's activities.

With regard to its value chain, Safran's Human Rights policy expressly includes vigilance in relation to:

- prohibition of all forms of forced labor and child labor;
- prohibition of all forms of harassment, violence and discrimination, and protection against intentional and unlawful harm;
- the rights to working and employment conditions that protect health and safety; an adequate wage; and training;
- the rights to freedom of association and collective bargaining;
- respect for privacy and personal data.

Through this policy, Safran and its employees undertake to:

- respect ethical values and behaviors and integrate them into the corporate culture; ensure compliance with the Group's internal policies; and monitor the effectiveness of associated progress plans;
- analyze risk-exposed situations, take action on the underlying causes and remediate consequences when necessary;
- recognize and reward positive contributions to risk prevention and encourage a learning culture;
- promote and ensure compliance with ethics commitments throughout the Group's chain of operations, including in relation to suppliers, service providers, subcontractors and distributors;
- report and manage any breaches of ethics rules, support those involved and protect whistleblowers.

Responsible purchasing guidelines

Safran's responsible purchasing guidelines are based on nine fundamental principles, including promoting and respecting human rights. The aim of these guidelines – which are available on Safran's website – is to obtain suppliers' commitment and involvement in complying with the Group's requirements in terms of health, safety and the environment (HSE), human rights and anti-corruption measures. Safran is committed to working with suppliers that: (i) are ethical, act with integrity and comply with the applicable laws and regulations; and (ii) effectively manage their social and environmental risks, as well as those of their own supply chains.

The Group's responsible purchasing guidelines contain two fundamental principles regarding human rights which Safran requires its suppliers to comply with and to ensure compliance by their own suppliers and subcontractors:

- promoting and respecting human rights (i.e., no child labor or human trafficking, including forced or bonded labor);
- developing human potential (i.e., no harassment or discrimination, decent working hours, adequate wages and benefits, and effective social dialogue).

The Guidelines incorporate the terms of the IFBEC Supplier Model Code of Conduct. If the principles of the responsible purchasing guidelines are not respected and no corrective action is subsequently taken, Safran could impose a range of measures, including, as a last resort, terminating the business relationship with the supplier concerned.

Measures to provide and/or enable remedy for human rights impacts

[S2-1 17c]

Three types of measures to provide and/or enable remedy for human rights impacts:

1. A system for reporting unethical behavior

Any breaches of human rights can be identified and dealt with via Safran's whistleblowing system, which meets the requirements of France's duty of care law, including in relation to human rights. Safran has set up various channels for reporting fraud or unethical behavior. One of these is a secure, multilingual whistleblowing system at Group level, accessible to all stakeholders (employees, customers, suppliers, etc.) to allow whistleblowing reports to be made confidentially[1]. Whistleblowers can use this address to file, anonymously or otherwise, any report, made in good faith, of a breach of the principles enshrined in the Group's Ethical Guidelines.

This framework ensures that reports of human rights breaches are dealt with ethically and transparently within all Group entities (see details in section 5.1.4.3.2).

(1) *It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.*

2. A new ESG rating tool for suppliers

In order to continuously improve sustainability across its upstream value chain, in March 2024, Safran chose EcoVadis to assess the CSR practices of its suppliers.

The EcoVadis IQ module provides tailored risk classification of each supplier in the supply base, giving an overall final rating per supplier and separate ratings for each of the following topics: environment, social and human rights, ethics and sustainable purchasing, and the effectiveness with which the supplier integrates the risks inherent to the business sector and country concerned. Also, through the EcoVadis platform, the Group can access ESG data about the company in question.

If Safran classifies a supplier as “at-risk”, it requests EcoVadis provide an ESG rating for that supplier. Each rating reflects the supplier's ESG performance. If a supplier is non-compliant in terms of ESG performance, a request is made for a corrective action plan to be put in place in order to remedy or eliminate an identified problem that could potentially concern human rights.

In its methodology, EcoVadis takes into account the observations of a "360º Watch", which include relevant publicly available information about a company's ESG practices, identified via over 100,000 data sources (including NGOs, the press and trade unions).

3. Actions with respect to suppliers

In the event of non-compliance with the principles of the responsible purchasing guidelines, which a number of its suppliers have signed, Safran may apply a range of measures to the supplier concerned, including removing the company from the Group’s approved supplier list or, as a last resort, terminating business relations completely.

[S2-1-18] [S2-SBM-3-11b]

Safran's "umbrella" Human Rights policy, described above – which applies to all employees in all Group subsidiaries and in all countries – expressly includes vigilance related to the prohibition of forced labor and child labor. The Group's Duty of Care system – which is overseen by the Group Ethics and Compliance Department and includes a duty of vigilance regarding respect for human rights – encompasses the strict prohibition of forced labor and child labor, both in the Group’s own operations and in its value chain. The risks related to these forms of work are included in the risk repository underlying the duty of care risk map, as required by the relevant law and the Duty of Care system.

The Group's responsible purchasing guidelines also contain strict prohibitions on human trafficking, forced or compulsory labor and child labor. Safran requires its suppliers to respect these prohibitions and to require their own suppliers and subcontractors to do so as well. The responsible purchasing guidelines explicitly state that the supplier undertakes to “promote and respect human rights (i.e., no child labor or human trafficking, including forced or bonded labor). In addition, the contractual clauses in Safran's framework agreements and general purchasing conditions require suppliers to be compliant with their local employment laws and regulations.

Engagement with value chain workers

[S2-2 22a] [S2-2 22b] [S2-2 23] [S2-2 22c]

Safran indirectly engages with value chain workers through:

- its proactive involvement in trade associations and groups that represent the aerospace and defense industries, such as GIFAS in France and IAEG internationally. These organizations bring together companies that, in some cases, are Safran tier-one suppliers;
- dialogue with trade unions, where human rights topics are addressed, in particular via the Global CSR Framework Agreement (see section 5.1.1.3.1);
- its participation in satisfaction surveys on the quality of its supplier relations, as well as in business-to-business forums;
- regular meetings between Safran's purchasing teams and supplier representatives, as well as visits to supplier sites;
- the Safran Supplier Day. The third edition of this meet-up between Safran and its suppliers took place on June 6, 2024.

Certain discussions with suppliers may lead the Group to take specific steps, such as requesting EcoVadis to rate a particular supplier, requesting corrective action plans, or removing the supplier from the approved supplier list.

[S2-2 22e] [S2-2 24]

A process of direct dialogue with value chain workers is currently being considered, notably through questionnaires or audits at supplier sites.

Actions

[S2-3] [S2-4] [S2-3 27a] [S2-3 27b AR22]

Any breaches of human rights can be identified and dealt with via Safran’s whistleblowing system, which meets the requirements of France’s duty of care law, including in relation to human rights. Whistleblowers can use the Group's secure and anonymous whistleblowing system to report any incidents (see below and section 5.1.4.3.2 for further details).

This system ensures that reports on human rights breaches are dealt with ethically and transparently.

[S2-3-27c] [S2-3 AR23]

The Group is currently considering putting in place additional processes, including providing its suppliers with surveys to carry out among their employees about their sites.

[S2-3-27d AR27]

The system for reporting unethical behavior, which can be activated via the Group’s whistleblowing system[1], is available in all languages (whistleblower’s choice) and allows for anonymous reporting. It is accessible to anyone (internal or casual employees, customers, suppliers, etc.) and guarantees:

- protection of whistleblowers’ identities and the absence of repercussions for whistleblowers reporting cases in good faith;
- traceability and confidentiality of the reports, with full security of the information handled;

(1) It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

- respect of data protection laws and regulations;
- information provided to the whistleblower about how the investigations are progressing, and their outcome;
- a presumption of innocence for the person(s) reported by the whistleblower, and information provided to such person(s) of the allegations made against them so they can prepare their defense;
- clear procedures for collecting, investigating and handling whistleblowing reports;
- precise definition of the conditions for archiving and destroying information once the process has been completed.

This system ensures that whistleblowing reports relating to human rights are handled in an ethical and transparent way within all Group entities.

When a whistleblowing report is made, the actions and measures taken are documented as soon as the report is received and until the file is closed. A tracking file is kept up to date throughout the process. This tracking file and the various supporting documents are stored on a dedicated, secure Safran server.

[S2-3 28] [S2-3 AR27]

An explanatory document entitled "Whistleblowing procedure" for reporting unethical behavior is available on Safran's public website and can therefore be downloaded by value chain workers.

The whistleblowing system[1] is referenced in the Safran responsible purchasing guidelines. In addition, Safran Group website has a supplier area where any supplier can report unethical behavior. The reporting procedures are also available for download in the "A responsible industry" section of the website (see section 5.1.4.3.2).

[S2-4 32a] [S2-4 32b] [S2-4 AR44]

The following all contribute to the management of Safran's Duty of Care Plan:

- additional information from other stakeholders where necessary, and requests for explanations from the supplier concerned;
- specific analysis with the supplier;
- corrective action plans to reduce risks, under the supervision of Safran's lead buyer;
- quarterly reviews with the purchasing departments to oversee the deployment plan, track action plans and make adjustments where necessary, potentially resulting in action to discontinue work with a supplier, or even terminate the business relationship completely;
- a decision by the Group Purchasing Committee, which may decide to terminate the relationship. At each fortnightly meeting of the Group Purchasing Committee, a review of CSR metrics and the duty of care plan takes place, with presentation of metrics and progress in the various actions underway. The members of this Committee include all of the purchasing directors of Safran entities.

[S2-4 32c]

CSR criteria are taken into account when assessing suppliers' bids. The higher a supplier's CSR performance, the higher their assessment score. Any suppliers whose CSR performance is deemed insufficient are asked to put in place a corrective action plan.

[S2-4 32d] [S2-4 33a] [S2-4 33b] [S2-4 33c] [S2-4 35] [S2-4 36] [S2-4 38]

The Group's CSR Purchasing organization is structured around a central team comprising a CSR Purchasing Director and a CSR Purchasing Project Manager. This central team is supported by CSR Purchasing officers in each of the Group's tier-one entities. The CSR Purchasing officers coordinate the CSR approach within each company's purchasing teams.

Targets

[S2-5] [S2-5 41] [S2-5 42a] [S2-5 42b] [S2-5 42c]

Safran tracks how many suppliers have signed its Responsible Purchasing Guidelines, as well as any suppliers who are non-compliant in terms of CSR performance and the corrective action plans put in place.

(1) It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

5.1.3.3 Consumers and end-users (ESRS S4)

5.1.3.3.1 Quality and safety of products and services (ESG topic 8) – Customer relations and customer satisfaction (ESG topic 9)

In application of ESRS S4 under the CSRD, Safran's consumers and end-users mainly correspond to aircraft manufacturers, helicopter manufacturers and airlines. The disclosures related to ESRS S4 in this report are therefore based on those categories of consumers and end-users. Customer confidence and satisfaction are dependent on Safran meeting its commitments to quality and the safety of its products and services.

The double materiality assessment identified two material risks and one material negative impact for Safran related to the "Quality and safety of products and services" ESG topic, as well as one specific material risk related to the "Customer relations and customer satisfaction" topic. The related IROs are set out in the table below.

For further details about the IRO identification process, see the corresponding section on ESRS 2 (section 5.1.1.4).

ESG topic 8

Quality and safety of products and services

IROs	Description	Type	Time horizon	Policies related to the IRO
Reputational risk associated with the endangerment of the users of the goods and services sold	Damage to the Group's image and loss of stakeholder confidence in the event of perceived or proven risks to the health and safety of the passengers and end-users of Safran products and services. Difficulties in securing financing from banks and other financial institutions in the event of a major incident related to the use of products and services. Downgrading of the Group's non-financial ratings.	R	ST	Quality policy Aviation Safety policy Fair and Equal Culture policy
Financial risk associated with the consequences of mishandling a product safety incident or failure	Criminal or administrative penalties, fines, legal action and litigation in the event of the endangerment of consumers and users of the products and services sold. Business disruption or interruption if sites are ordered to stop, slow down or modify their operations due to major non-compliance with product and service safety and quality regulations.	R	ST	Quality policy Aviation Safety policy Fair and Equal Culture policy
Exposure of users to risks to their safety in the event of product or service failure	Accidents, serious injury or loss of life due to mechanical failure of aerospace or aviation equipment, lack of product maintenance or verification, design/manufacturing defects in the Group's products and services, or non-compliance with aerospace regulations.	I–	ST	Quality policy Aviation Safety policy Fair and Equal Culture policy

ESG topic 9

Customer relations and customer satisfaction

Financial risk associated with the deterioration of customer relationships and investor expectations	Stock market volatility, reduced availability of capital and reduced investor interest due to poor customer relationship management or insufficient measures taken by the Group to ensure customer satisfaction, leading to a loss of confidence among financial stakeholders.	R	ST	Quality policy Aviation Safety policy Fair and Equal Culture policy

I+ Positive impact; I– Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

Policies

[ESRS 2 MDR-P] [S4-1 15] [S4-1 16] [S4-1 17]

Safran has an ambitious quality policy targeting three main goals:

- safety and reliability of products and services;
- customer satisfaction;
- continuous progress in performance.

This policy, signed by Safran's Chief Executive Officer, applies Group-wide and is relayed at all levels (both internal and external). It is combined with a permanent drive for innovation, continuous improvement and effective risk management.

Implementation of the quality policy is overseen by the Group Quality Department, which reports to the EVP Industrial, Purchasing and Performance, who is a member of the Executive Committee. Actions are carried out within the Group's companies via several different networks (e.g., the quality managers' network, the progress managers' network, the Safety Management System network, etc.).

Another example of our quality procedures is One Safran – a management system designed to enhance customer satisfaction and business performance.

This system is structured around three interlocking components:

- pooled, process-driven management, with each process supported by documentation required for carrying out the related tasks, and performance tracking;
- operational excellence based on best practices shared throughout the Group;
- a shared performance culture.

Safran strictly complies with the regulations and standards applicable to its aerospace and defense activities, which set the quality, reliability and safety imperatives for the Group's products and services.

These regulations and standards apply throughout the life of the products, from design through to manufacture, operation and maintenance.

For example, for civilian aircraft, Safran complies with the regulations issued by the International Civil Aviation Organization (ICAO) and transposed into European regulations by the European Aviation Safety Agency (EASA), which delivers Design *(Part 21J)*, Production *(Part 21F* or *G)* and Maintenance *(Part 145)* Organization approvals. In France, production approvals are overseen by OSAC (France's civil aviation security agency), acting under the delegation of powers granted by the French Civil Aviation Authority (DGAC). Similar rules and approvals are applied by other authorities such as the Federal Aviation Administration (FAA) in the United States, the Civil Aviation Administration in the People's Republic of China (CAAC) and the Civil Aviation Authority (CAA) for the United Kingdom. Bilateral agreements exist between the different authorities to coordinate their efforts.

Safran's entities have been awarded certifications in recognition of their compliance with aerospace industry quality standards: AS/EN 9100 (New production), AS/EN 9110 (Repair), and AS/EN 9120 (Distribution). Certifications are managed on the IAQG[1] public database (OASIS)[2], so that certification status is accessible to all order givers.

In compliance with the regulations, Safran operates a Safety Management System (SMS) to preemptively identify risks liable to jeopardize the safety of its products, and to take remedial action, before they can have a negative impact on its customers or business. As part of our continuous improvement drive, a Fair and Equal Culture policy was issued towards the end of 2024 and is currently being put in place. The underlying aim of this policy is to ensure fair treatment, mutual respect and transparent communication in all facets of Safran's organization. These principles are essential for creating a strong, collaborative culture that fosters a safe and healthy working environment for our people, while contributing to aviation safety and the quality of our products and services.

The requirements that Safran expects from its suppliers are laid down in its general purchasing conditions and in the general quality requirements set out in a document called SAFe ("SAFran exigences"). SAFe includes international quality standards to further standardization throughout the aerospace supply chain. It expresses Advanced Product Quality Planning (APQP) requirements, specifies rules on prevention and remediation of quality deviations, and ensures suppliers' personnel are familiar with Safran's ethics whistleblowing system[3]. SAFe also includes Safran's responsible purchasing guidelines.

Additionally, Safran is involved in the international aerospace organizations responsible for developing regulations, norms and standards in the field of Quality (ISO, IAQG, AESQ, Nadcap) with a view to actively contributing to future developments.

In parallel, the One Safran approach includes methodologies designed to improve performance and enhance customer satisfaction. Safran is based on a solid network with centralized organization, and deployed within all of the Group's entities. This network facilitates the implementation of improvement initiatives, either created by the Group and applicable to all of its companies, or created by the companies themselves initially for their own internal use, then standing as best practices for broader take-up elsewhere in the Group. These initiatives may involve either continuous improvement or disruptive projects put forward and coordinated by the Group.

Actions

[ESRS 2 MDR-A] [S4-4 30]

For example, to ensure robust product design, the Develop process has strengthened the organization and management of the development preparation, systems architecture and product industrialization activities. It also includes the requirements of the aerospace industry's authoritative AS/EN 9145 Advanced Product Quality Planning standard.

To support the sustainability of the production plan, the Supply Chain, Purchasing and Quality processes undertake initiatives with suppliers, such as (i) introducing a disciplined selection and approval process with a cross-business supplier selection committee; (ii) regularly assigning supplier quality assurance managers to audit and monitor suppliers; and (iii) supporting and tracking suppliers in implementing progress plans to improve quality and lead-time performance and their development towards operational excellence.

(1) International Aerospace Quality Group.

(2) Online Aerospace Supplier Information System: portal for information on aerospace quality management certifications, auditors and audit results.

(3) It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

Recently, Safran rounded out its range of supporting documentation for certain fundamental topics of its CSR commitment, such as "SMS/Fair and equal culture", "Cyber security" and "Low carbon". Safran is also a key player in Aero Excellence, an organization set up in conjunction with GIFAS to drive operational excellence in the aerospace and defense sector.

All of these actions, combined with regular discussions and meetings, help to ensure a more robust management of risks within the supply chain and nurture trusted relations between Safran, its customers and the regulatory authorities.

Each of the Group's companies runs its own action plans, tailored to its own particular business context, on continually improving product quality and safety. This priority measure applies at all levels, from Group executive management to in-the-field teams.

To ensure One Safran is firmly anchored in Group practices and culture, a One Safran training school is in operation at Safran University, providing everyone with a chance to learn the One Safran standards and use them effectively. The first program, launched in 2021, covers senior management and every Group geography (Europe, the Americas, Asia, Africa and the Middle East). A second program dedicated to line managers was launched in late 2023.

In addition, in response to the major challenge of increasing the Group's workforce in the years ahead, an onboarding program for new hires – called "One Safran Onboarding" – is currently being rolled out.

Safran's vision of quality, shared throughout the Group and enshrined in its objective of "Being our customers' preferred supplier", is achievable via several drivers: (i) the culture of continuous improvement: Lean Sigma (project management led by Green Belts, Black Belts and Master Black Belts); (ii) collaborative innovation (enabling employees in all sectors to contribute their ideas to enhance their companies' performance); (iii) QRQC (Quick Response Quality Control), a management method based on everyday performance monitoring and rapid, robust problem-solving at appropriate levels of management; and (iv) the networks of quality, progress and profession-specific teams.

Targets

[ESRS 2 MDR-T] [S4-5 41]

Most projects target at least one of the following objectives:

- increase in customer satisfaction;
- operational and economic improvement;
- efficacy of the company's operational processes;
- support from the continuous improvement teams for Safran's major transformation challenges in digital technology, sustainability and corporate social responsibility;
- development of employees' skills and understanding.

The managers of the companies concerned report regularly on Safran+ progress to Group Executive Management at annual field reviews.

Metrics

[ESRS MDR-M]

Maintaining regulatory approvals, by obtaining and renewing the accreditations and certifications required for its activities is a key way in which Safran can ensure its compliance with the aviation industry's strict quality and safety standards, and at the same time enhance customers' satisfaction.

5.1.4 Governance (ESRS G1)

5.1.4.1 Roles of the administrative and management bodies

[ESRS 2 GOV-1] [G1.GOV-1 5a] [G1.GOV-1 5b]

The Board of Directors approves Safran's overall business strategy set and proposed to it by the executive management teams and oversees its implementation, in accordance with the Company's best interests and taking into account the social and environmental aspects of its activities. Subject to the powers directly vested in Shareholders' Meetings, the Board is responsible for dealing with all matters concerning the efficient running of the Company and for making all related decisions, within the scope of the Company's corporate purpose.

The roles and responsibilities of the Board of Directors are set out in section 2.1.4 of this Universal Registration Document.

The Directors have a wide range of experience in different business sectors and expertise in varied fields, meaning that the Board is well equipped to deal with the challenges Safran faces in terms of both strategy and performance.

The expertise of each Director is described in detail in section 2.2.2 of this Universal Registration Document.

5.1.4.2 Resilience and ESG performance of the supply chain (ESG topic 12)

5.1.4.2.1 Description of the processes to identify and assess material impacts, risks and opportunities

[ESRS 2 IRO-1]

Safran aims to work with dependable high-performance suppliers that meet its objectives of operational excellence and competitiveness, and to strengthen responsible practices and capacity for innovation across its production chain. This is why the topic "Resilience and ESG performance of the supply chain" has been identified. The double materiality assessment identified three risks and one positive impact for Safran under this topic (see list of IROs below).

See section 5.1.1.4 for details on the IRO identification process.

LIST OF MATERIAL IROS IDENTIFIED

ESG topic 12

Resilience and ESG performance of the supply chain

IROs	Description	Type	Time horizon	Policies related to the IRO
Financial risk associated with non-compliance with applicable regulations or poor ESG practices (particularly in terms of quality and safety) by suppliers and/or subcontractors	Fines, litigation or legal action in the event of failure by the Group to comply with its supply chain responsibility obligations, as well as additional costs related to compliance with supply chain responsibility laws.	R	ST	Responsible purchasing policy
Reputational risk associated with non-compliance with regulations or poor ESG practices by suppliers and/or subcontractors	Damage to the company's reputation in the event of illegal labor practices or adverse environmental impacts within the value chain, potentially undermining customer and investor confidence and limiting access to certain types of tenders and public contracts, which could have a negative impact on its long-term financial performance. Corrective measures and communication actions would be required to rebuild trust and restore the company's image, which could result in additional expenses.	R	ST	Responsible purchasing policy
Improvement of the social and environmental performance of the value chain	Ability of the Group to engage the value chain through the sharing of best practices, stricter regulations, and better supplier and subcontractor selection. Its critical mass can enable the Group to drive sector-wide improvements in working conditions, occupational health and safety, and the energy and environmental performance of products and services.	I+	MT	Responsible purchasing policy
Deterioration of performance due to poor supplier resilience resulting from insufficient partnership with the Group	Inadequate preparation of suppliers to meet the Group's needs, delaying transformation efforts and potentially requiring emergency resourcing to make up for the shortfall, at a very high cost for the Group. High levels of supplier financing and insufficient supply chain security to respond in times of crisis and during ramp-up periods.	R	ST	Responsible purchasing policy

I+ Positive impact; I- Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

5.1.4.2.2 Supply chain CSR performance policies

[ESRS 2 MDR-P 65a] [ESRS 2 MDR-P 65b] [ESRS 2 MDR-P 65c] [ESRS 2 MDR-P 65d] [ESRS 2 MDR-P 65e] [ESRS 2 MDR-P-65f] [G1-2 12]

Safran's responsible purchasing policy, signed by the Chief Executive Officer, addresses the Group's objectives of operational excellence and competitiveness, while strengthening responsible practices and innovation capacity throughout the production chain. It is consistent with the Group's industrial policy and complies with the Group's Ethical Guidelines and CSR strategy. Safran's responsible purchasing guidelines, coupled with consistent support for suppliers on topics such as decarbonization, contribute to effectively conveying the Group's CSR commitments (see section 5.2 on support for suppliers on decarbonization).

Under its responsible purchasing policy, Safran commits to working with suppliers who (i) are ethical, act with integrity and comply with the applicable laws and regulations; (ii) effectively manage their own social and environmental risks, as well as those of their own supply chains; (iii) are committed to a greenhouse gas emissions reduction trajectory consistent with the Paris Agreement level; (iv) are implementing a digitalization and innovation approach; (v) support Safran in its competitiveness and operational excellence objectives.

A Group Purchasing Committee (GPC) comprising all purchasing directors oversees effective application of the Group's responsible purchasing policy, steered by the Group Purchasing Performance Department (GPPD) and implemented by Group entities. Subsidiaries' purchasing departments apply the Group's responsible purchasing policy consistent with the specificities of their particular markets.

The purchasing departments are the main intermediaries through which Safran extends its CSR commitments to its some 14,000 significant suppliers. The Group Purchasing Performance Department coordinates all relevant actions, conducted either by the central Non-Production Purchasing Department or by the purchasing departments of tier-one entities in charge of production purchasing.

In 2024, total purchases amounted to more than €15.6 billion[1], or nearly 57% of Group revenue. Nearly 45% of the purchase volume[2] was sourced from suppliers based in France, reflecting its industrial footprint, and close to 82% of the volume made in France was from French micro-businesses, SMEs and intermediate-sized enterprises.

In 2023, responsible purchasing governance was strengthened with the appointment of a CSR Purchasing Director and Deputy Director, followed in 2024 by the structuring and coordination of a network of CSR purchasing liaison officers within tier-one entities. The GPC reviews CSR results on a quarterly basis (covering the responsible purchasing guidelines, duty of care and metrics).

The responsible purchasing policy involves constant collaboration with and between Group companies: all Group buyers apply the purchasing process set out in One Safran; there are internal progress plans and a training program; and the Procure to Pay (P2P) system ensures that suppliers and subcontractors are paid on time.

Safran has also set out its commitments in its internal procedures:

- GRP-0245 - Management of supplier relations, in Article 6.1 - Compliance with legislation (French Economy Modernization Law and local legislation): "Safran complies with legal requirements on supplier invoice payment deadlines. Invoices are honored in accordance with contractual terms and within the deadlines specified under the legislation applicable to each of the Group's companies";
- Safran Ethical Guidelines, in the section titled Upholding laws and regulations: "In all the countries where the Group operates, all employees must observe and act in compliance with the applicable international, federal, national and local laws and regulations."

Duty of care risk assessment process

[G1-2 15]

Responsible purchasing is part of our duty of care (see section 5.1.3.2.1).

The gradual implementation of the EcoVadis solution, selected and subject to a contract in 2024, will facilitate the mapping of supplier risks. This will now be done using the EcoVadis IQ module, complemented by an internal analysis aimed at identifying suppliers that implement specific processes with Chrome VI.

The EcoVadis methodology is backed by international CSR standards such as the principles of the United Nations Global Compact, International Labor Organization (ILO) conventions, Global Reporting Initiative (GRI) standards, ISO 26 0004, CERES principles, and the UN Guiding Principles on Business and Human Rights, also known as the Ruggie Framework.

The EcoVadis solution provides access to two main functions:

- assessment of each supplier's CSR risk level on the basis of geographical location and sector of activity (IQ module);
- specific CSR rating for each supplier (Ratings module).

CSR ratings are requested from EcoVadis for all suppliers found with "high" and "very high" risk levels using the EcoVadis IQ solution under the duty of care procedure. EcoVadis is the solution adopted by the IAEG (International Aerospace Environmental Group). Through this sector-based approach, suppliers can share their CSR performance with IAEG members who request it, thus reducing the administrative workload.

With implementation of the EcoVadis solution, Safran has updated some parts of its purchasing process as regards supplier CSR risk management (risk mapping, mitigation and prevention actions, whistleblowing systems, monitoring systems).

Financial risk is also monitored by Purchasing, with regular analysis of the probability of supplier financial default and the risk of a change in supplier ownership. The Group Purchasing Department monitors financially vulnerable suppliers by analyzing data from external databases. The risk of supplier economic dependency is also factored in.

(1) The purchasing metrics are based on purchases managed by Safran, i.e., €13.3 billion, and not on all of the Group's purchases, which also include purchases related to administration and partners.

(2) This purchase volume corresponds to the volume managed by the purchasing organization; it excludes purchases related to partners and public authorities.

5.1.4.2.3 Actions

[ESRS 2 MDR-A 68a] [ESRS 2 MDR-A 68b] [ESRS 2 MDR-A 68c]

Quality supplier relationships

[G1-2 15a]

Safran has been a signatory to the Sustainable Procurement and Supplier Relations Charter of the French Ministry of the Economy, Finance and Industry since 2010, obtaining the corresponding official label in 2017, plus a further three-year renewal in 2024. The label is awarded by the French Business Mediation Service and the National Procurement Council and recognizes companies demonstrating sustainable and balanced relationships with their suppliers. It certifies that Safran's organization and management actions offer credible assurance of compliance with the objectives and commitments set out in the label's guidelines. This is backed up by ISO 20400 Sustainable procurement – Guidance. Safran has accordingly appointed an internal mediator to liaise with suppliers and Safran companies.

This mediator reports to the Industry, Purchasing and Performance Director (DIAP). Its mission involves facilitating dialogue between Safran and the supplier as a neutral intermediary between two parties encountering difficulties in their relationship, with a view to helping them find a solution that avoids definitive breakdown. As well as appearing on the Safran Group website, details on mediation also appear in contracts and General Purchasing Conditions (GPCs).

Actions to include CSR criteria in purchasing

[G1-2 15b]

Supplier tender selection includes the CSR criteria of maturity in the decarbonization approach and commitment to responsible purchasing (signature of the responsible purchasing guidelines or implementation of a CSR program). These criteria are formalized in a Group procedure.

Since joining EcoVadis in 2024, Safran can use the EcoVadis CSR rating directly in this tender process.

In addition to the above actions on integrating the CSR criteria into purchasing, buyers can also be trained on responsible purchasing. This training reached more than 65% of Safran's buyers in 2024, on target for 100% reach over a three-year cycle.

In 2024, Safran suppliers were informed on developments in key matters regarding supply chain transformation, covering requirements on the following topics:

- implementation of APQP (Advanced Product Quality Planning) methodology;
- participation in the EcoVadis ethics and corporate social responsibility assessment program;
- stronger cooperation on operational performance to guarantee customer satisfaction, for which Safran promotes membership of the Aero Excellence program and the implementation of One Safran Baselines (Safran's load/capacity analysis tool);
- the decarbonization trajectory needed to meet the Paris Agreement commitments;
- more stringent cybersecurity requirements in line with the sharp rise in risk;
- application of regulatory requirements (Section 1502 Dodd Frank Act), Regulation (EU) 2017/821 of the European Parliament and of the Council of May 17, 2017, on the declaration of sourcing information regarding conflict minerals.

Conflict minerals

Although Safran buys mainly processed products, the Group is highly vigilant with regard to the origin of the minerals used in certain purchased products such as tin, tungsten, tantalum and gold. Purchasing volumes including such minerals are low. Safran complies with applicable laws and regulations, including the European T3G regulation, in force since January 1, 2021 (also known as the Conflict Minerals Regulation), and US regulations under the Dodd-Frank Act, to ensure that the minerals it uses do not come from conflict zones.

Safran requires its suppliers to commit to its responsible purchasing guidelines, which demand compliance with applicable laws and regulations regarding the sourcing of minerals. It requires them to establish a policy allowing them to reasonably guarantee that minerals purchases do not serve to fund, directly or indirectly, armed groups whose activities are contrary to human rights. They must also exercise due diligence in choosing the source and ensuring the traceability of minerals, and in turn impose the same requirements on their suppliers.

In addition, Safran identifies any suppliers that may use such minerals, and vets their commitments and internal policies by means of a three-yearly campaign using the Responsible Minerals Initiative's Conflict Mineral Reporting Template (CMRT).

Support for suppliers and the aviation, defense and space industry

[G1-2 14] [G1-2 15]

Against the backdrop of tense geopolitical situations, inflation and commodity supply difficulties, Safran remains highly attentive to its suppliers, with aerospace industry support funds, and specific units tasked with monitoring and supporting suppliers in difficulty.

Industry-specific investment funds

Since 2004, Safran has been a regular investor in successive Aerofunds which have been designed to support the capital investment needs of companies in the aerospace and defense sector.

At the height of the Covid-19 crisis, Safran invested €58 million in the Ace Aéro Partenaires (AAP) fund managed by Tikehau Ace Management. This fourth Aerofund has had a significant impact on safeguarding French SMEs and intermediate-sized enterprises, supporting some 40 of them through the lull in activity and strengthening the industry.

Overall, Tikehau Ace Aéro Partenaires 1 has supported 14 French companies, 13 of which are directly part of the French Defense Industrial and Technological Base (DITB), over the three years of its operation. More than €670 million has been deployed. On the strength of this success, Safran has signed a €45 million contribution to a new fund, Tikehau Ace Aéro Partenaires 2 (AAP2), which aims to raise a total of €800 million (€425 million already raised). The AAP2 fund has been operational since the last quarter of 2024.

Watch Tower and Task Force to detect and support suppliers in crisis

Since the onset of the pandemic, Safran has closely monitored the situation of its subcontractors.

Against a backdrop of successive crises (pandemic, geopolitical, etc.), Safran's Supplier Watch Tower, set up in 2020, has continued to operate in close collaboration with all industry players.

Its purpose is to:

- identify the suppliers most at risk, with a potential impact on the Group's businesses;
- establish a dialogue with those suppliers in order to understand the impact of the crises on them and their ability to sustain their business;
- examine alongside the suppliers possible local government aid;
- direct them towards longer-term and structural solutions such as backing from other industry players and investment funds in cases where standard measures are insufficient.

This approach is carried out in coordination with the public bodies that can offer aid, as well as with other contractors (Airbus, Dassault Aviation, Thales) within the framework of GIFAS when the supplier is shared, and can result in proposals for consolidation with the Ace Aéro Partenaires fund managed by Tikehau Capital. 34 companies are currently monitored by the Safran Supplier Watch Tower.

Closer links with suppliers in the sector

Safran sits on the board of the International Aerospace Environmental Group (IAEG), which develops solutions across the whole of the value chain to promote a responsible and sustainable aerospace industry. IAEG conducts continuous monitoring to identify and tackle emerging issues affecting the industry, including those that concern fresh CSR obligations (contractual, legal/regulatory) or risk management. Safran and other IAEG members run a working group tasked with upholding an effective voluntary CSR industry framework dealing with the CSR assessment standard, validation of risk-based assessment results and a supply base engagement model. One outcome of this work was to select the EcoVadis solution for CSR risk and supplier evaluation.

Since 2010, Safran has been a member of the Pacte PME association and sits on its Board, in a commitment to strengthening ties between SMEs and major accounts, to supporting the development of French SMEs, and particularly to helping innovative companies get off the ground and grow. Through Pacte PME, Safran contributes to the Destination ETI program designed to help SMEs modernize. At the end of 2023, a new Pacte PME survey, entitled "*Baromètre Pacte PME 2023*", was launched, focusing in particular on the various dimensions of the relationship between Safran and French SMEs. The results of the survey, published in 2024, identify the strengths of major account/SME relationships (involvement in supplier development, support for SME innovation, sharing of CSR approaches), specific SME expectations, and tools and avenues for improvement.

In 2024, Safran joined the Decarbonization Alliance launched in 2023 by Pacte PME. The Alliance's objectives are to: (i) help SMEs shrink their carbon footprint, improve competitive performance and reduce energy dependency; (ii) support major accounts that have made public commitments to decarbonization in their actions to support their suppliers and partners, with an emphasis on SMEs; (iii) top up support from public schemes to accelerate the decarbonization of France's 33,000 industrial SMEs.

Since 2019, Safran has also been a signatory to a bilateral agreement with the French Ministry of the Armed Forces (MINARM) as part of the SME Action Plan. This plan aims to improve SMEs' access to defense procurement contracts, establish a balanced partnership with SMEs, support SMEs in their international expansion, thereby consolidating the Defense Industrial and Technological Base (DITB) and preserving France's sovereignty. In 2024, the agreement was renewed for a further three-year period and the scope was widened to cover more of the DITB, including startups and ETIs.

Having made a significant contribution to defining and implementing an international framework for operational excellence aimed at the entire aerospace and defense industry, Safran played a leading role in its operational rollout in the French supply chain in 2024. The Aero Excellence framework brings together the best practices and standards in industrial performance to help players in the sector face future challenges and boost their competitiveness. It covers three themes - operational excellence, environment, and cyber security - across all operational activities from industrialization to repair activities. It allows companies to self-diagnose their level of maturity (bronze, silver or gold) in relation to industry best practices and to have it validated by qualified experts, and then commit to a continuous improvement process.

In 2024, Safran contributed to the creation of "Aero Excellence International", spearheaded by GIFAS, with the signing of the bylaws for an association that will bring together France, Germany and the United Kingdom from its creation in early 2025, and of which the purpose is to deploy this standard throughout the global Aerospace and Defense industry, gradually bringing together all the countries involved to increase competitiveness and industrial maturity.

The Group is a founding member of Space, a body dedicated to improving the performance of French SMEs in the aerospace industry. Safran plays an active role each year by sharing its proven methodologies and assisting in the implementation of new systems for SMEs. By becoming the French operator of Aero Excellence, Space is taking on a new dimension, supported by Safran, which is providing both industrial expertise to maintain the quality of the framework at the highest level, and experienced assessors on secondment to deliver reports containing recommendations for increasing the maturity of the industrial sites assessed.

Safran is committed to deploying best practices in cyber protection for all its suppliers, with an Aircyber system or equivalent, of which the Bronze level is the first step in limiting the risk of supply chain vulnerability.

5.1.4.2.4 Targets

Supplier commitment is measured by tracking purchases from suppliers that have signed the Safran responsible purchasing guidelines.

Compliance is considered equivalent if the supplier meets Safran's CSR requirements compliance matrix, if it has signed equivalent guidelines with one of the other major GIFAS contractors (Airbus, Dassault, Thales), if it has signed the Sustainable Procurement and Supplier Relations guidelines of the French Business Mediation Service or of the IFBEC, if it has obtained the Responsible Supplier Relations and Purchasing label, or if it has obtained an EcoVadis CSR rating considered compliant by Safran.

Suppliers are also asked to address this topic in their contracts. Sustainability-related contractual clauses are included in contractual models, including those for framework agreements: compliance with labor regulations, compliance of sourcing with regulations and standards (including conflict minerals), ethics.

5.1.4.2.5 Actions, resources and metrics for compliance with payment terms

[G1-2] [MDR-P-62] [G1-2-14] [G1-2-15a] [G1-2-15b]

Safran supports the financial strength of its suppliers through responsible payment practices.

The Group's policy on supplier payment terms is to comply with the payment terms stipulated in contracts and regulations where applicable. Except in special cases, the Group also respects the maximum payment term of 60 days (or equivalent) from the invoice date or 45 days from the end of the month, in accordance with the rules of the French General Directorate of Competition, Consumption and the Fight against Fraud (DGCCRF) applicable to sales and service contracts.

Safran pays particular attention to its most financially vulnerable suppliers (especially SMEs), granting them shorter lead times.

Safran's five Shared Services Centers (SSCs) worldwide cover the majority of supplier invoice flows and seek to optimize processing. These SSCs are located in France (Safran Finance Services "SFS"), Great Britain, Morocco, Mexico and China.

Safran has also set up a Procure To Pay (P2P) organization, one of whose primary objectives is to meet supplier payment terms. The guarantor of the P2P approach at Group level is the GPPD, which steers relations with suppliers. A central team coordinates a network of company referents, issues dashboards for appropriate performance monitoring, and pilots and structures cross-functional progress plans. A Group-level steering committee meets quarterly.

Annual targets are set for the P2P network on metrics of compliance with supplier payment terms. The results obtained across the CSP SFS are reported on a weekly basis.

Payment practices

[G1-6]

The Group has rolled out the following initiatives in France and Belgium to minimize late payments and facilitate supplier relations:

- Continuous training and awareness-raising:

  Safran runs regular training sessions on best practices in accounts payable management. Internal personnel such as purchase requisition writers, procurement planners and purchasers are trained in the Procure To Pay (P2P) process and its various tools. Regular in-house communication and awareness-raising campaigns promote ethical and responsible supplier relations;
- Performance monitoring and analysis, and action plans:

  Safran has set up specific key performance indicators (KPIs) on invoice processing and payment times. Monthly reports with performance monitoring and analysis are circulated internally. Safran also conducts regular analysis of the underlying causes of late payment. Based on this data, progress plans are drawn up to improve performance;
- Digitization and process automation:

  Safran continues to invest in automating and digitizing the process to make it more robust and efficient. Safran actively encourages its suppliers to switch to electronic invoicing, for greater transmission reliability and optimized processing times. Safran has also installed robot software to automate certain stages of the processing process;
- Litigation management:

  Safran has set up a clear and efficient dispute management process, with notifications sent automatically to the various internal players for rapid resolution. Individual or collective reminders are issued in the event of late processing. Safran also notifies its suppliers in the event of rejection of invoices sent in digital format. Suppliers are informed of the rejection, with details of the reason. Suppliers are also notified of anomalies regarding invoices received after their due date;
- Supplier portal and weekly account statement:

  Questions on payment status can be addressed to a specific CRM portal: Safran Finance Services Supplier Helpdesk. Information on helpdesk access is systematically included in orders issued to suppliers. Safran has also adopted a transparency policy that includes proactive weekly communication on supplier account statements. This helps ensure clarity and rapid identification of potential problems.

Metrics

- **[G1-6 33a]** Average time taken to pay invoices (in days): 54 days;
- **[G1-6-33b]** % of payments aligned with these standard payment terms: 83.6%.

Methodology for calculating payment terms

[G1-6 33b AR16 and AR17] [G1-6 33d]

The 2024 scope for calculating the standard payment terms and percentage of payments aligned with these terms corresponds to all the Safran Finance Services (SFS) Shared Services Centers (SSC), which manage supplier accounting in France for the great majority of Safran entities, and account for 85% of Safran's supplier invoices and 87.2% of trade payables.

The method used for the above metrics is as follows:

- calculation of compliance with supplier payment terms: this involves comparing the due date calculated by Safran with the actual payment date for all invoices paid. The due date calculated by Safran is equal to the invoice date plus the payment condition indicated on the order. The calculation scope includes invoices that have fallen due and invoices with a dispute under supplier responsibility that have been paid late;
- calculation of standard payment term: average difference between invoice date and payment date for all paid invoices.

THE NUMBER OF LEGAL PROCEEDINGS CURRENTLY OUTSTANDING FOR LATE PAYMENTS

[G1-6 33c]

	2024
Number of legal proceedings in progress	0

5.1.4.3 Regulatory compliance and business ethics (ESG topic 13)

5.1.4.3.1 Description of the processes to identify and assess material impacts, risks and opportunities

[ESRS 2 IRO-1]

In line with its belief that responsible business management helps to improve the Group's competitiveness and employer appeal, Safran ensures that its activities are conducted with honesty, integrity and professionalism consistent with the highest international standards of business ethics, as promoted by the International Forum of Business Ethical Conduct (IFBEC), which includes the world's major international aerospace and defense companies.

This is the rationale behind the topic of regulatory compliance and business ethics. The double materiality assessment identified one risk and one negative impact for Safran under this topic (see list of IROs below).

See section 5.1.1.4 for details on the IRO identification process.

ESG topic 13

Regulatory compliance and business ethics

IROs	Description	Type	Time horizon	Policies related to the IRO
Financial and operational risks arising from unethical practices, corruption or non-compliance with regulations	Criminal and administrative penalties, fines and litigation in the event of failure to comply with applicable regulations, additional costs to ensure compliance with applicable regulations, or due to non-compliance with applicable national regulations, as well as business disruption or interruption if sites are ordered to halt, slow down or modify their operations due to major regulatory non-compliance, including the need for investigations or audits, or the indictment of key managers.	R	ST	Ethical Guidelines Code of Conduct for the prevention and detection of acts of corruption
Negative impact on whistleblowers reporting unethical practices in the absence of protection measures	Negative impact in the event of retaliation against whistleblowers who report unethical practices within the Group.	I–	ST	Ethical Guidelines

I+ Positive impact; I– Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

5.1.4.3.2 Business conduct and ethics policies

[ESRS 2 MDR-P 65] [G1-1 7]

It is Safran's policy to ensure that all activities are carried out in accordance with the highest standards of honesty, integrity and professionalism. These values are consistent with the high degree of stakeholders' trust in the Group.

Safran applies all international conventions on combating corruption and the anticorruption laws in force in the countries where it does business.

A comprehensive program and strict requirements on the prevention of corruption and influence peddling yield a zero-tolerance policy on active and passive corruption, whether direct or indirect, with regard to public- and private-sector players.

Integrity and ethics are cardinal values for Safran, and all Group managers and employees must comply with laws and regulations concerning the fight against corruption. This is non-negotiable, even if it means losing contracts and revenue.

These values and requirements are reiterated by Safran's CEO in the preamble to Safran's Ethical Guidelines and Code of Conduct.

The Group believes that responsible business management helps preserve its reputation and contributes to the competitiveness and attractiveness of the organization. Safran sees corruption as a serious risk, and addresses it by backing up its anticorruption policy with appropriate governance and processes.

Ethics whistleblowing policy, program and system

[G1-1 10a]

Safran's Chief Executive Officer has made an unequivocal and continuous commitment to ethics in the conduct of Safran's policies and operations as cited in Safran's Ethical Guidelines: *"It is vital for everyone to be involved if we are to keep our commitments. Each and every one of us, regardless of our role in the company, branch, or country, must be irreproachable in how they perform their work. No breaches of ethics will be tolerated either at Safran or any of our partners."*

A policy built on the Ethical Guidelines

Safran's ethics policy is set out in its Ethical Guidelines[1], a baseline for internal policies and rules that specifies a code of conduct for the prevention and detection of acts of corruption. This includes all the requirements of international conventions (such as the United Nations Convention Against Corruption) and national legislations/regulations applicable to Group operations in this field, a charter for the prevention and management of conflicts of interest, an Anti-Fraud Policy, responsible purchasing guidelines, a personal data protection policy and a policy on health, safety and the environment.

Employees are all asked to be fully acquainted with the Ethical Guidelines, to comply with them, and to ensure that others comply with them. The Ethical Guidelines cover:

- adherence to fundamental principles (respect for laws and regulations, duty of care, respect for fundamental freedoms and human rights);
- adoption of appropriate business practices (fairness and integrity, zero tolerance for corruption and discrimination, compliance with import and export regulations, fair competition);
- promotion of honest and stringent management of information (protection and control of information);
- climate impact reduction and environmental protection (taking environmental challenges into account to ensure sustainability, combat global warming and protect the environment);
- providing an attentive ear for stakeholders: shareholders, suppliers, customers, partners and civil society.

The Compliance, Ethics and Anti-Fraud Committee

[G1-3 18b]

The Compliance, Ethics and Anti-Fraud Committee is tasked with supervising employee respect for the general framework governing compliance with the rules laid out in the Ethical Guidelines and any changes in the system. This Committee is chaired by the Group's Corporate Secretary, who is a member of the Group's Executive Committee, but all of the Group's departments remain responsible for ensuring that their teams respect the compliance criteria. Its other permanent members are the Chief Financial Officer, the EVP International and Public Affairs, the EVP Corporate Human and Social Responsibility, the EVP Industrial, Purchasing and Performance, the Chief Sustainability Officer, the Chief Legal Advisor, the Group Ethics and Compliance Officer, the Group Chief Security Officer, the Head of Audit and Internal Control and the Head of Group Internal Control.

The committee ensures the relevance, comprehensive coverage and efficacy of the systems (organization, processes, procedures) used to prevent the risks corresponding to the various event categories, as set out in the Safran "Fraud and unethical behavior" mapping.

It sets out rules on the division of tasks between the players involved in the process of characterizing and investigating instances of fraud or unethical behavior (proven or suspected); it is kept informed of the progress of this process; it validates the options proposed to it by the departments investigating them (call upon external expertise, for example) and gives all necessary instructions to this end. It reviews and approves the conclusions drawn from any investigations and inquiries. It ensures that those in charge of internal investigations strictly respect the rights of those involved (presumption of innocence, protection of secrecy, protection of whistleblowers, etc.).

The whistleblowing process may be audited internally or externally to check its effectiveness.

The committee is responsible for ensuring the supervision and effective control of the implementation of the policy described in this section.

(1) *Safran's Ethical Guidelines can be consulted on the safran-group.com website.*

Whistleblowing system

[G1-1 10e]

The whistleblowing system meets all legal requirements on duty of care and the French Sapin II law. It is described in our Anti-Fraud Policy and Code of Conduct. Employees who suspect that a practice or incident may be illegal or in violation of the Group's rules of business conduct have the right to notify or request guidance from their managers, the Head of Internal Control, the Head of IT Security, the Security Officer, the Head of Human Resources, the Ethics and Compliance Department, the Legal Department, the Finance Department, the Quality Department, the Audit and Internal Control Department, the Compliance, Ethics and Anti-Fraud Committee or the Group's dedicated ethical whistleblowing channel[1]. They can use the alert method of their choice.

A Group-wide procedure is in place to collect and handle allegations of unethical behavior or fraud. It describes the conditions under which staff members as well as occasional or external personnel of Group companies can make a report in good faith. It also sets out a number of requirements, including:

- the collection and processing of reports following a step-by-step process, the various stages of which are defined and traced;
- whistleblowers acting in good faith and without direct financial consideration may not be subject to any disciplinary or retaliatory measures. Their identity must be strictly protected;
- whistleblowers are kept informed of the progress of the investigation. At its conclusion, they are informed of the findings;
- all people involved in the report are presumed innocent; their identities are strictly protected;
- the information collected during the investigation of a report is kept confidential and stored in such a way as to preserve the integrity of the information gathered (secure server, restricted access). Personal data is collected and processed in strict compliance with applicable regulations;
- individuals who are the subject of a report are informed in confidence of the allegations against them to enable them to provide any evidence in their defense. They are informed of the conclusions of the investigation when it is complete;
- once a report has been processed, the conditions for archiving and destruction are defined in detail.

At Group level, the Audit and Internal Control Department is responsible for coordinating the data collection and processing system, and ensuring that the process set out above is followed at both Safran SA and Group level. The Audit and Internal Control Department regularly reports to the Compliance, Ethics and Anti-Fraud Committee and to the Audit and Risk Committee of the Board of Directors on fraud and unethical behavior.

Each subsidiary employing more than 50 employees must include this procedure in its internal rules and appoint persons authorized to handle the reports received. These persons must have the skills, authority and resources required to carry out their duties impartially (e.g., Internal Control Officers, in addition to their responsibility for reporting information, as set out below).

In the event of instances or situations detected in one of the Group's companies, the Internal Control Officers must be duly informed, and are responsible for reporting to the Audit and Internal Control Department on any instance or situation involving fraud or attempted fraud, unethical behavior or suspected unethical behavior occurring within their area of responsibility (tier-one entity, subsidiary, etc.). Any such instance is reported by means of an Incident Report Form.

For all cases reported to the Group level, and for all alerts received at this level (in particular via the whistleblowing line), an initial characterization group is set up to analyze the reports received, decide whether they are admissible, and determine and initiate the due diligence to be carried out.

This group, which meets on a weekly basis, is made up of designated representatives from the Audit and Internal Control Department, the Group Legal Department, the Group Ethics and Compliance Department, the Human Resources and Social Responsibility Department and the Group Security Department.

The issues that may be reported are:

- any fraud or attempted fraud;
- any conduct or situation contrary to Safran's Code of Conduct[2] for the prevention and detection of acts of corruption;
- more broadly, any serious and manifest violation of applicable laws and regulations, notably those bearing on human rights and fundamental freedoms, including discrimination of any kind, issues relating to health, personal safety and the environment, as well as any violations relating to the duty of care in respect of suppliers or a threat or serious prejudice to general interest.

Among the various channels for reporting fraud or unethical behavior, the Group's whistleblowing system is accessible and available in all languages (choice of the whistleblower) and foresees the possibility of reporting in good faith, anonymously or openly, any breach of the principles enshrined in the Group's Ethical Guidelines. The system can be accessed by all of the Group's payroll employees, as well as by external stakeholders, such as temporary workers, customers and suppliers. The collection of reports is managed by an external and independent third party. Details about the whistleblowing system are available to employees via the Group intranet, and to all suppliers via the Safran responsible purchasing guidelines, and to all other stakeholders via Group's corporate website[3]. In 2024, internal communication was strengthened through dedicate intranet publications, highlighting the various issues that can be reported.

(1) It can be accessed at safran@alertethic.com, with the option of requesting anonymity. For North America (United States, Canada and Mexico), there is an additional online system: www.lighthouse-services.com/SafranHelpline.

(2) The Safran Code of Conduct is available on www.safran-group.com.

(3) https://www.safran-group.com/group/ethic

In 2024, Safran received 333 reports across all channels (247 from internal sources and 86 from external or unidentifiable sources):

- after their initial characterization, 59 reports were qualified as beyond scope and closed;
- 153 reports concerned HR matters (allegations of inappropriate behavior or behavior non-compliant with Safran rules and values). After analysis and investigation, action was taken in 40 cases (including disciplinary sanctions), 105 cases were closed without action, and 8 are under investigation;
- 114 reports concerned alleged fraudulent behavior: action was taken (including disciplinary sanctions) in 8 cases, 100 cases were closed without action, and 6 are under investigation;
- 7 reports concerned alleged non-compliance with anti-corruption rules: 4 resulted in action.

[G1-1 10c]

Provided they have acted in good faith, no disciplinary or retaliatory action will be taken against people who report incidents, even if the facts reported turn out to be unfounded after processing or investigation.

Any direct or indirect retaliatory action against a Group employee who has made a report will not be tolerated and may result in disciplinary action against the perpetrator, up to and including termination of the employment contract, in accordance with applicable local law.

Communication on the implementation of policies and procedures

[G1-3 18c]

Regular and appropriate information is issued to members of Safran's Board of Directors, to all members of the Group Executive Committee and to each company's Executive Management.

Regular reviews are carried out and submitted to the Compliance, Ethics and Anti-Fraud Committee and Safran's Audit and Risks Committee. Reports are also regularly submitted to the Group Executive Committee.

[G1-3 20]

Safran's commitment appears on Insite, Safran's intranet, and on the Internet website, in particular through its Ethical Guidelines and Code of Conduct on the prevention and detection of corruption.

Internally, Group GRP procedures are published on the intranet site. Safran's Zero Tolerance for Corruption policy is issued to all Safran personnel via the intranet site.

A whistleblowing communication campaign was launched in December 2023. A video by the Corporate Secretary and articles on various topics were published regularly on Insite throughout 2024.

Webinars on the whistleblowing system have been organized for managers to remind them of the processes and best practices to follow.

Externally:

- the Group's international partners (consultants, lobbyists, service providers, distributors, partners in the context of equity investments or the creation of joint ventures) are informed of our compliance policy before any contracting process with a Group company is initiated;
- contractual documents between Safran and its suppliers refer to or are based on the General Purchasing Conditions (**GPCs**), which contain a strict ethics clause;
- Safran actively takes part in the fight against corruption, participating in initiatives led by national and international professional bodies such as:
  - the French Aeronautical and Space Industries Group (Groupement des Industries Françaises Aéronautiques et Spatiales – GIFAS),
  - the French employer federation (Mouvement des entreprises de France – Medef),
  - the International Forum of Business Ethical Conduct (IFBEC), and
  - the European Business Ethics Forum.

Business ethics and prevention of corruption risk

[G1-1 10a]

Safran ensures that its activities are conducted with high standards of honesty, integrity and professionalism that are consistent with the highest international standards of business ethics, promoted by the International Forum of Business Ethical Conduct (IFBEC), which includes the world's major international aerospace and defense companies. The Group believes that responsible business management helps preserve its reputation and contributes to the competitiveness and attractiveness of the organization. Safran sees corruption as a serious risk, and addresses it by backing up its anticorruption policy with robust governance and processes.

In 2012, Safran became the first CAC 40 company to obtain "anticorruption" certification from the French Agency for the Diffusion of Technological Information (ADIT). Its certification was renewed in April 2017 until March 2020. This underscores the major drive in recent years to build a robust anticorruption program aligned with the highest international standards:

- US Foreign Corrupt Practices Act, UK Bribery Act;
- OECD Convention;
- French Sapin II regulations;
- tenth principle of the United Nations Global Compact program.

In 2023, Safran's anticorruption program was certified ISO 37001 in recognition of the quality of its anticorruption management system. Ten companies have been certified: Safran SA, Safran Aerosystems, Safran Electrical & Power, Safran Landing Systems, Safran Seats, Safran Transmission Systems, Safran Aircraft Engines, Safran Electronics & Defense, Safran Helicopter Engines and Safran Cabin. In 2025, two companies, Safran Nacelles and Safran Aero Boosters, will begin the certification process.

Policy of zero tolerance of corruption

Safran's policy for the prevention and detection of corruption risks is based on the principle of "zero tolerance" for any corrupt practice.

Corporate culture and commitment of Executive Management and company CEOs

[G1-1 9 AR1]

The Board of Directors, its Chairman, the Chief Executive Officer and members of the Group Executive Committee have pledged, for themselves and on behalf of the employees, to be exemplary in their behavior. This is the only way for the Group to secure its sound, sustainable growth and retain the trust of its stakeholders. This commitment involves:

- the monitoring of corruption risk and the anticorruption program by the Board of Directors' Audit and Risk Committee;
- a representation letter on integrity and the fight against corruption, signed each year by the CEOs of all Group entities. CEOs ensure that the letter is also signed by their subsidiaries;
- a half-yearly presentation of anticorruption topics to the Group Executive Committee;
- regular updates of the situation in the various entities with the Chief Executive Officers of each tier-one entity.

Various publications are used for upholding a culture of corruption prevention within the Group, including a weekly business ethics newsletter, specific country regulation reviews, a dedicated intranet, and a fortnightly anticorruption "observatory".

Regular communications are made to raise awareness among all Group employees of the appropriate behavior to adopt when faced with various risk situations (e.g., declaration in the gifts and invitations register).

A robust corruption risk prevention and detection program

[G1-3 18a AR5 and AR6]

Safran's anticorruption program seeks to instill a Group-wide culture of honesty, as laid out in Safran's Ethical Guidelines and code of conduct for the prevention and detection of acts of corruption, and to foster exemplary behavior in this regard by all employees. It integrates all the requirements of international conventions and national regulations applicable to its activities, including the requirements of the French Sapin II law.

It comprises a series of standard operating procedures applied by each subsidiary in accordance with local legislation applicable to its organization, products and markets. It is also proposed to the Group's minority-owned affiliates.

The program is designed both to empower employees and to safeguard corporate assets with a disciplined risk management process based on four pillars:

Anticorruption pillar no. 1 – Leading by example and dedicated organization

The anticorruption commitment is led by the Safran Group's Executive Management and companies.

The anticorruption organization is overseen by the Group Ethics and Compliance Department, which reports to the Group's Corporate Secretary, member of the Executive Committee and Chair of the Compliance, Ethics and Anti-Fraud Committee, who in turn reports to the Chief Executive Officer. A network of Chief Compliance Officers (CCOs) implements the anticorruption program throughout Safran SA, its tier-one entities and operationally-managed subsidiaries. The CCOs work with Compliance Managers or Correspondents (CMs or CCs), appointed in each of their company's subsidiaries or divisions.

Anticorruption pillar no. 2 – Corruption risk maps

Risk mapping is based on appropriate documentation, a methodology common to all companies, a definition of roles and responsibilities of the various players involved, and recommendations on best practices.

[G1-1 10h]

In compliance with French Sapin II law and the recommendations of the French Anti-Corruption Agency (AFA), Safran has drawn up a methodology for identifying personnel exposed to corruption risks, based on risk mapping set out in the procedure describing the program for preventing and detecting the risk of corruption and influence peddling.

This methodology identifies two particular populations:

- functions in which employees are most exposed, according to the Group analysis;
- functions whose training needs depend on the company's risk map.

According to this methodology, the criteria for determining which departments and processes are most at risk concern the existence of interactions with third parties at risk, particularly for employees in departments carrying out operations considered sensitive.

This approach must be based on the Group Risk Framework. This framework serves as a guide for all Group entities, enabling them to determine risk families. The list is not exhaustive, and the risks identified must reflect the reality of operations.

Anticorruption pillar no. 3 – Risk prevention and detection program

Measures to prevent and detect corruption are set out in the Code of Conduct and in the applicable procedures, including those for assessing third-party integrity, gifts, invitations and other sponsorship expenses, training, the whistleblowing system, and anticorruption accounting controls.

The program for the prevention and detection of corruption risks covers bribery, influence peddling, misappropriation of funds and favoritism. It applies, without exception, to all Group entities and all Group-controlled subsidiaries, in France and worldwide.

The program comprises a procedure setting out the roles and responsibilities of the various players, the methodology for mapping corruption risks, and the program components: prevention, detection, control and disciplinary measures:

- a code of conduct for the prevention and detection of acts of corruption defines and illustrates the various types of behavior that are prohibited because they could be construed as corruption, based on the risks identified in the risk mapping. It is integrated into all the entities' internal rules and welcome packs, and is applicable to all employees;
- a guide to assessing the integrity of third parties sets out the rules to be applied in assessing the various categories of third parties according to criteria common to all Group companies and adapted to the risk level of each third party. All business partners of Group companies are systematically subject to internal and external investigation and validation by the Ethics and Compliance Department. The procedure includes approving, managing and monitoring lobbyists, who must comply with Safran's responsible lobbying guidelines. In 2023, the third-party validation process was digitized and rolled out to all Group companies;
- a guide and reference framework for anticorruption accounting controls set out the methodology for identifying, implementing, reinforcing and formalizing anticorruption accounting controls (first and second level), to ensure that the level of control is appropriate in light of the issues and risks identified;
- the procedures for gifts and hospitality and other sponsorship expenses given to or received from customers, suppliers and other stakeholders, as well as the corporate patronage charter, are designed to avoid any violation of current legislation or any potential conflict of interest. A digitized register of gifts, hospitality and sponsorship expenses is made available to all employees, allowing them to self-declare any benefit offered or received, regardless of its value;
- the charter for the prevention and management of conflicts of interest has been updated to specify that a declaration campaign with a self-assessment questionnaire is launched every year for members of the Safran SA Executive Committee, all employees of the Purchasing and Sales departments of Safran and its subsidiaries, and every three years for all members of the Executive Committee of Safran entities and all direct subordinates of members of the Executive Committee of Safran entities. All employees exposed to the risk of corruption when taking up a new position under the external recruitment and mobility process are also required to complete and sign the declaration.

Anticorruption is also an integral part of procurement practice:

- An ethics and compliance clause is included in Safran's general purchasing and sales conditions.
- Intellectual services to be subcontracted are systematically subject to the written opinion of the Chief Compliance Officer (CCO) of the company concerned.
- Safran's responsible purchasing guidelines include the terms of the IFBEC Supplier Model Code of Conduct.

Information and training program

[G1-1 10g] [G1-3 21a] [G1-3 21b] [G1-3 21c] [G1-4 24b]

Regular and appropriate information is distributed to all members of the Group Executive Committee, the executive management teams of the Group companies and all employees directly or indirectly involved in preventing corruption risk.

International Anticorruption Day is an opportunity to mobilize all members of the Ethics and Compliance network on the fight against corruption.

Training dedicated to the prevention of corruption risk is mandatory for all senior executives, all people in the Group exposed directly or indirectly to the risk of corruption, as well as for new hires among managerial-grade staff or those belonging to the target populations.

Training courses on Safran's anticorruption program are run by Safran's Ethics and Compliance Department, along with Chief Compliance Officers, Compliance Managers and Compliance Correspondents, all internally accredited as trainers. An on-site trade compliance training course has been developed for Group companies worldwide. The training schedule is drawn up on the basis of the risks and needs identified at the start of the year by the Ethics and Compliance Department and the companies' Chief Compliance Officers (CCOs).

These courses are designed to provide all employees concerned by or exposed to corruption risks with adequate knowledge of regulations applicable to their activities plus a full understanding of Group procedures and how to apply them in performing their duties.

Executives and target groups must then update their knowledge every year. A program on corruption risk prevention and detection was reviewed and updated in 2022 for inclusion in online learning systems such as the Massive Open Online Courses (MOOCs). The populations most exposed to corruption risks are now required to follow this program every year, by completing the full MOOC in year 1 and answering a knowledge update questionnaire in years 2, 3 and 4 (Quadrennial). This MOOC consists of a common core plus function-specific workshops. There are 14 business-specific modules and an associated knowledge test. Attendees' knowledge levels are assessed and certification issued for successful scores.

Online training is a prerequisite for in-person training. Training materials in French and English are available for accredited trainers. As with the MOOC, these materials comprise a common core plus function-specific modules, along with an evaluation questionnaire.

The compliance training policy was reviewed in 2022, with a new organization and the pool of people to be trained expanded by more than 35%. By 2024, 97% of people exposed to or affected by corruption, including 100% of senior executives, had received anticorruption training.

In 2024, an anticorruption awareness initiative was offered to all of Safran's Directors.

CONVICTIONS FOR VIOLATION OF ANTI-CORRUPTION AND ANTI-BRIBERY LAWS

[G1-4 24a]

(in € thousands)	2024
Number of convictions	0
Amount of fines	0

Anticorruption pillar no. 4 – Control and monitoring of procedures

Program control and corrective action monitoring are carried out through level-1, -2 and -3 controls, key performance indicators and reporting. Disciplinary sanctions are applied in proven incidents of corruption.

Export control policy

[G1-1 7] [ESRS 2 MDR-P]

As stated in its core purpose, Safran "designs, builds and supports high-tech solutions to contribute to a safer world". Safran buys and sells "dual-use" components, equipment and technologies (i.e., those that can be used for both civil and military purposes) in more than 30 countries in particular to protect the interests of France, its allies and the European Union. Safran accordingly undertakes to comply with all applicable export control regulations for military equipment, dual-use products and civilian equipment, and related technologies and services. Safran is committed to combating the proliferation of conventional weapons, weapons of mass destruction and their means of delivery, with the purpose of preserving domestic and international security.

Safran has set up a global organization and is constantly adapting its internal measures and procedures. The Group Export Control and Customs Department reports to the Group General Secretary, Chair of the Ethics, Compliance and Anti-Fraud Committee, who is a member of the Group Executive Committee. The system is implemented by a worldwide network of more than 400 experts and correspondents. A Group Export Control Committee also meets at least twice a year. It includes the Head of the Group Export Control Department and the Export Control managers of the main Group companies and departments. It allows for an exchange of information on the progress made, difficulties encountered and risks identified, the implementation of joint improvement actions and the sharing of information on the latest regulatory developments.

The export control policy is structured around two axes:

1. Safran complies with all laws and international agreements signed in each of the countries where it operates, including but not limited to the Treaty on the Non-Proliferation of Nuclear Weapons, the Convention on Cluster Munitions, the Anti-Personnel Mine Ban Convention, the Wassenaar Arrangement, the EU Common Position on Arms Exports and the Arms Trade Treaty;
2. Safran is committed to applying for any governmental authorization that may be required to transfer and export or import defense-related or dual-use products, and to comply with all conditions and caveats associated with such licenses.

The Group takes into account changes in the global geopolitical environment, which may result in export restrictions to countries, legal entities or individuals. Safran analyzes said changes to determine their impact on its companies' operations and ensure compliance with all requirements. The Group adheres scrupulously to all restrictive measures, particularly those imposed by Europe and the United States, applicable to its operations and financial transactions. Safran requires the same compliance from its suppliers through its responsible purchasing guidelines (see section 5.1.4.2.2). Regarding international trade, Safran also ensures compliance with applicable customs laws, and takes the most appropriate measures to guarantee the smooth running of its international operations.

Safran is not involved in any business related to the production of anti-personnel mines, cluster munitions, chemical and biological weapons, blinding lasers, autonomous lethal weapons systems, depleted uranium munitions or white phosphorus weapons.

Internal compliance program

[G1-1 9 AR1]

To take into account the risks associated with export control activities (see section 4.XXX), Safran has established a system aimed at ensuring strict compliance with all export control regulations and laws in all Group companies worldwide. The system has been specifically adapted for Safran subsidiaries in the United States to comply with US regulatory requirements, such as the International Traffic in Arms Regulations (ITAR), the Export Administration Regulations (EAR) and all restrictive measures imposed by the Office of Foreign Assets Control (OFAC).

The export control arm of Safran's internal compliance program is based on:

1. identification of export restrictions on products;
2. management of export authorization and license applications;
3. compliance with the terms and conditions of the licenses granted;
4. identification and protection of controlled technologies;
5. training, exchanges of good practices and awareness-raising for the employees concerned: training and awareness-raising by the companies, the Group departments concerned and by Safran University (via a dedicated MOOC), distribution of information notes, dedicated space on the intranet site with a directory of export control network correspondents;

6. three-yearly reviews of the maturity of the control program of the companies and Group departments concerned by an external service provider, internal control points by the Audit and Internal Control Department, and one-off audits;
7. a comprehensive twice-yearly risk review;
8. treatment of non-compliance with applicable regulations: Safran ensures that its companies detect, assess and report any cases of non-compliance. The companies inform the relevant authorities of each identified case and take every precaution to prevent similar cases from recurring in the future;
9. application of the compliance standard by each company: Safran SA and all tier-one entities are responsible for ensuring the implementation and effectiveness of the control program in their own subsidiaries.

Letters of commitment to the program's applicability are signed by each tier-one subsidiary in accordance with Group procedures. Each subsidiary thus undertakes to apply Group policy at its particular level, to structure its organization and carry out staff training accordingly, and to report all relevant information to the Group.

Tax compliance

[G1-1] [ESRS 2 MDR-P]

In accordance with its Ethics Guidelines, Safran is committed to adopting the highest standards of tax compliance, namely the fight against fraud and tax evasion. In its tax policy, which is available on its website, Safran undertakes to:

- fully adhere to tax compliance and anti-tax evasion legislation in force in all countries where the Group operates;
- cooperate openly with the various tax authorities and disclose all the information they need to perform their reviews.

The tax function, headed by the Group Chief Tax Officer, works directly under the Chief Financial Officer, who is a member of the Group Executive Committee. A dedicated tax team deals with the Group's operations. Tax processes are reviewed annually through the global risk management process (see section 4.1).

The Group works proactively with tax authorities. Safran complies with the international tax principles set by the Organization for Economic Cooperation and Development (OECD): "Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations". Safran thus ensures that its intra-group transactions comply with the arm's length principle, declares its reporting on a country-by-country basis in accordance with Action 13 of the Action Plan on Base Erosion and Profit Shifting, and discloses the breakdown of its taxes and duties by major geographic area on its website.

Political influence and lobbying activities

[G1-5 29a] [G1-5 29c] [G1-5 29d] [G1-5 30 AR11]

Lobbying activities are managed by the Public Affairs Department, which reports to Safran's Group International Development and Public Affairs Department. The EVP International Development and Public Affairs is a member of the Executive Committee.

This department coordinates the Group's public affairs plan in support of Safran's two strategic priorities of sovereignty and decarbonization.

Three priority issues have been identified:

- defense, with a responsive outlook to parliamentarians plus a pro-active approach on subjects determined with Group companies;
- decarbonization, with a dual focus on promoting our activities and actively supporting their development;
- business climate, working for government support for Safran's activities, including exports.

Safran rigorously applies the directives of the French High Authority for Transparency in Public Life (disclosure of lobbying activities), along with all its own internal rules and procedures on professional ethics and anticorruption. Safran also registers its lobbying activities with the European Commission (identification number: 764184537594-67).

Regular training sessions on the matter are run for all Group employees, and are mandatory for all Development and Public Affairs Department employees. Regarding lobbying, Safran strictly adheres to an internal responsible lobbying charter, under which it undertakes to rigorously comply with the provisions of relevant national law, notably regulations relating to French and EU law.

Safran does not employ any consulting firms to support its lobbying. This is managed entirely in-house.

As mentioned in section 5.1.4.3.2 on preventing and detecting corruption, a guide to assessing the integrity of third parties sets out the rules to be applied in assessing the various categories of third parties according to criteria common to all Group companies and adapted to the risk level of each third party. All business partners of Group companies are systematically subject to internal and external due diligence and validation by the Ethics and Compliance Department. The procedure includes approving, managing and monitoring lobbyists, who must comply with Safran's responsible lobbying guidelines.

5.1.4.4 Innovation, support to research and scientific partnerships (ESG topic 11)

5.1.4.4.1 Description of the processes to identify and assess material impacts, risks and opportunities

[ESRS 2 IRO-1]

Safran places a premium on mastering disruptive innovation and technological excellence to give our customers a decisive edge. The competitive performance of Safran's products depends largely on the Group's innovation capabilities, especially in the technological field.

The specific topic of innovation, support to research and scientific partnerships was determined accordingly. The risk, impact and opportunity under this topic are outlined below. The double materiality assessment identified one risk, one positive impact and one opportunity for Safran (see list of IROs below).

For further details on the IRO identification process, see the dedicated section in ESRS 2, section 5.1.1.4.

ESG topic 11 – Entity specific

Innovation, support to research and scientific partnerships

IROs	Description	Type	Time horizon	Policies related to the IRO
Risk of technological decline and loss of competitiveness	Loss or reduction of the Group's competitive advantage due to the absence or inadequacy of patent protection, enabling other sector companies to replicate or imitate the technologies and innovations developed. Risk of scientific and technological impoverishment leading to a competitive disadvantage in the absence of research support and/or scientific partnerships.	R	LT	R&T and innovation policy
Opportunity for Safran to leverage R&T, innovation and collaborative work outcomes	Many of the technologies used by Safran today come from outside the Group. For expensive technologies, partnerships could reduce the financial burden for Safran and be a source of competitiveness.	Op	ST	R&T and innovation policy
Technological progress and knowledge development in the service of society and ecological transition	Innovation for the common good: search for solutions to improve public safety and address the challenges of climate change and sustainable mobility. Development and sharing of scientific and technological knowledge through partnerships with schools, universities, research centers, incubators and industrial chairs.	I+	ST	R&T and innovation policy

I+ Positive impact; I- Negative impact; R Risk; Op Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

5.1.4.4.2 Policies on innovation, support to research and scientific partnerships

[ESRS 2 MDR-P 65a] [ESRS 2 MDR-P 65b] [ESRS 2 MDR-P 65c] [ESRS 2 MDR-P 65d] [ESRS 2 MDR-P 65e] [ESRS 2 MDR-P 65f]

The Strategy, Technology and Innovation department coordinates all Research and Technology (R&T) and Innovation activities carried out by the Group, for all its aerospace and defense products, in all the countries where it has an industrial presence. These activities aim to provide Safran with innovative technologies to improve its products in service and develop more competitive, higher-performance products that meet environmental challenges, while maintaining customer satisfaction in the short and long term (see section 1.3).

Innovation is truly at the heart of Safran's strategy. The competitiveness of its products is largely based on the successful integration of technological innovation, providing the customer with industry-leading performances. Accordingly, the head of the Strategy, Technology and Innovation Department is a member of Safran's Executive Committee.

Safran's ability to produce breakthrough technological innovations is amply demonstrated across a huge breadth of sectors, such as electric taxiing, composite fan blades and hemispheric resonator gyros (HRGs). A proof-of-concept approach involving close liaison across Group companies is applied, especially for the high-potential projects run by the Innovation Department. Safran also develops cooperative innovation with its suppliers and with startups working with the Group. The capacity to identify then implement efficient cooperative operations with academic, industrial and startup partners helps Safran integrate best practices in order to offer innovative and mature solutions within short lead times, while ensuring intellectual protection for the technologies developed.

A large proportion of R&T is carried out in-house. It is sometimes shared between several companies (joint effort on electronics) or carried out at the Strategy, Technology and Innovation Department's Safran Tech central research hub. These activities follow a formalized process that ensures consistency in research conduct, innovation evaluation, and technology maturity.

R&T and Innovation activities are chiefly equity-financed. However, given the specific structure of defense markets, activities concerning military products are primarily financed by the end customer. Some civil activities also benefit from public funding, particularly in France via the French Civil Aviation Authority (DGAC); in the United Kingdom via the Aerospace Technology Institute (ATI) and in Europe via the European Commission's Clean Aviation program.

Scientific Council

To strengthen the governance of innovation, Safran has set up a Scientific Council comprising ten world-renowned university researchers. In 2024, the council presented its observations and recommendations on the research topics pursued by the Group at plenary sessions attended by the leaders of the topics under discussion, and by the EVP Strategy and Chief Technology Officer.

Safran teams receive proposals from the council on actions and areas for improvement in the quality of research carried out, the accuracy of technological orientations and the relevance of scientific cooperation (links with universities and research centers), and on the adequacy of efforts on the various research topics with regard to objectives.

5.1.4.4.3 Actions

[ESRS 2 MDR-A 68a] [ESRS 2 MDR-A 68b] [ESRS 2 MDR-A 68c] [ESRS 2 MDR-A 68d] [ESRS 2 MDR-A 68e] [ESRS 2 MDR-A 69a] [ESRS 2 MDR-A 68b]

To ensure sustained continuity of its R&T efforts (over the five- to ten-year estimated average lead-time for bringing a technology to maturity), Safran implements a stable process based on a structured multi-year R&T plan, broken down into some 40 R&T roadmaps.

R&T operations are guided by roadmaps aligned with the strategic challenges faced by Group companies (see section 1.3): competitive positioning sought at different timeframes, along with the corresponding technological demonstrations and fulfillment levers in terms of external partnerships and internal synergies. The roadmaps are analyzed on an annual basis by Group experts, who issue recommendations accordingly.

The Strategy, Technology and Innovation Department pilots the metric on efforts for reducing environmental impact: at least 75% of its self-financed R&T yearly expenditure is on reducing the environmental impact of its products (see section 5.1.2.1.2).

Various roadmaps contribute in particular to our environmental commitments, notably those on propulsion, electrification, sustainable aviation fuels and the recyclability of materials.

Partnerships for research and training

In addition to its internal resources, Safran calls upon a network of partners to expand and renew its scientific and technological expertise: universities and research centers around the world, and innovative startups. Safran has signed some 30 framework agreements with research organizations such as the French National Center for Scientific Research (CNRS), the French Aerospace Research Center (ONERA), the French Atomic Energy and Alternative Energies Commission (CEA), the French National Institute for Research in Digital Science and Technology (INRIA), and universities and engineering schools such as Les Mines, Centrale-Supélec and École Centrale Lyon.

These framework agreements ensure long-term management of mutually beneficial scientific partnerships for Safran and its partners, which may eventually become external research centers for the Group.

In this way, Safran contributes to the dynamics of a broader ecosystem to develop scientific knowledge and encourage innovation. Safran employees' visits to partner companies (see section 5.1.3.1.3) also help to unite the academic community around concerted scientific objectives, complementing bilateral programs and chairs.

Safran participates in skills development through these scientific and academic partnerships. It also supports research through training by welcoming more than 220 PhD students and research students, by working in partnership with schools and university research centers, and through industrial chairs supported by France's national research agency. Safran was the leading employer of PhD students in France between 2018 and 2024, through industrial training-through-research agreements (CIFRE).

Safran runs a number of international thematic networks on key topics in aerodynamics, combustion, noise reduction, mechanics, digital technology, etc., and backs some ten French National Research Agency (ANR) industrial research chairs plus three scientific sponsorship chairs. In 2024, Safran participated in the creation of the SAFARI Industrial Chair at Centrale-Supélec's EM2C laboratory in "Sustainable aviation fuel: flame dynamics control and emissions reduction", and the HBM4SEATS Chair, with Ecole Centrale de Lyon (France), in "Human body modeling for seat comfort". Safran was actively involved in the foundation of three IRT centers[1]: Saint Exupéry, SystemX and M2P. It is also a major participant in several competitiveness hubs, including Aerospace Valley and ASTech.

The intellectual property related to this cooperative work is defined contractually at the beginning of projects between partners. The general principle is that the intellectual property belongs to the partners who performed or co-financed the work, and, at the very least, Safran receives rights of use in its own field.

Joint laboratories

Joint laboratories have been formed under some of the longest-standing relationships. The oldest, formed by CNRS, the University of Bordeaux, CEA and Safran Ceramics in 1988, is the "Laboratoire des Composites Thermo Structuraux" (Structural Thermocomposites Laboratory). The most recent, formed by Safran, École Polytechnique and CNRS in 2023, is the COMHET (joint laboratory working on hall-effect thrusters).

European programs

As detailed in section 5.1.2 on climate change, Safran is an active member of European Union programs and bodies.

Intrapreneurship

In a changing economy, Safran seeks to explore new activities that complement its core businesses. This goal is pursued through intrapreneurship programs that nurture an entrepreneurial culture throughout the company and promote the development of new innovative projects.

(1) *Instituts de recherche technologique (technology research institutes formed under France's Investments for the Future Program).*

In 2018, Safran launched its We Love Intrapreneurs program to support employees wishing to develop new activities for the Group. The program starts with a call for ideas open to all Group employees, continues with an incubation phase and ends with an acceleration phase. A selection process runs throughout the program to identify and select the most promising projects and teams. During the incubation phase, employees are trained in entrepreneurial approaches and business creation methods, and helped to build strategies and business models. Teams that reach the acceleration phase can devote 100% of their time to their project, with the aim of testing their products or services and validating market interest.

The We Love Builders program launched in 2023 capitalizes on the incubation phase to upskill and support Group companies in exploring and developing new businesses.

Partnerships with innovative companies to develop emerging technologies

Safran Corporate Ventures aims to finance companies that have developed innovative technologies or business models that may be applicable to the aerospace and defense industries.

In line with the Group's innovation policy, Safran Corporate Ventures aims primarily to work alongside other investors to support innovative startups, particularly in the fields of aerospace industry decarbonization, New Space, sovereignty and digital technology. Safran supports these companies by contributing its expertise and the financial resources (minority investments) needed for their development. Its support ranges from access to an international network of experts, and commercial and industrial exposure, to the establishment of commercial or development agreements between the startups in its portfolio and the Group's various entities, and participation in their governance to support their growth strategies.

These contributions are a factor of sustainability for these young companies, which are fragile in their early years. Safran is committed to being a sustainable and responsible partner, building respectful, trust-based relationships in the interests of all parties. Safran showcases its startup partners at the Paris Air Show and at Hello Tomorrow, as well as at internal events dedicated to innovation, such as the Safran Innovation Day.

In 2024, Safran Corporate Ventures made three new investments, out of a total of 19 companies in its portfolio, including the startup Estuaire. which has developed in-depth expertise to help its partners and customers more effectively understand the non-CO_2 effects of aviation and the associated models. In early 2024, Safran Corporate Ventures also invested in United Airlines' Sustainable Flight Fund, dedicated to decarbonizing the aviation sector, and in the startup MirSense (quantum cascade lasers).

Through its Open Innovation activity, in 2024, Safran Corporate Ventures also participated in the formation of some 40 partnerships and demonstrators between Group companies and young innovative companies, without taking an equity stake.

This Open Innovation activity is illustrated by the Safran Explore programs, which identify the most innovative players in a given specialty or geographical area with the aim of supporting them through the partnerships with Group companies.

To identify and support startups considered strategic for its growth, Safran Corporate Ventures is also a member of bodies including La Place Stratégique and StartAir, the club of French aerospace startups, through GIFAS. Safran Corporate Ventures also has a portfolio of partnerships with incubators and universities to identify the most promising technologies.

Innovation and intellectual property

The vibrant creativity and innovation capabilities of Safran teams, plus the special attention given to protecting intellectual property, are amply demonstrated by the number of patent filings, topping 1,000 a year worldwide from 2018. Safran holds current intellectual property rights for over 16,000 different inventions. This innovation performance is particularly remarkable in France, where the Institut National de la Propriété Industrielle (INPI) ranks Safran among the top three patent filers in France over the past ten years, and by far the largest holder of patents in France, with over 15,000 current titles.

In addition to patent protection, because of Safran's international reach and extensive partnership involvement, the Group gives great importance to ensuring close control over technology transfers and defining precise policy on the matter.

Some technological transfers are essential for market access reasons. Technologies for transfer, which do not belong to Safran's core technology portfolio, must be clearly identified, accurately valued, and covered by carefully structured long-term partnership arrangements. Under no circumstances may such partnerships restrict the Group's capacity for technological differentiation in the future.

5.1.4.4.4 Targets

[ESRS 2 MDR-T]

In addition to the above, the following objectives reflect the Group's involvement in the scientific community:

- number of student researchers[1] on Safran teams in 2024: 220;
- number of research students joining Safran in 2024: 66;
- % of student researchers hired on completion of their thesis in 2024: 31%;
- number of inventions patented in France in year Y-2 (patent applications filed with INPI, 2023 ranking available in April 2024): 1,232 at December 31, 2023;
- number of current French patents (at December 31 of Y-2): 16,457 at December 31, 2023.

(1) PhD students on CIFRE contracts.

5.1.4.5 Cybersecurity and protection of personal data (ESG topic 14)

5.1.4.5.1 Description of the processes to identify and assess material impacts, risks and opportunities

[ESRS 2 IRO-1]

Safran gives the utmost importance to protecting its sensitive data (including that of its employees) and that of its customers.

The double materiality assessment identified one risk and two negative impacts for Safran under the cybersecurity and protection of personal data topic (see list of IROs below).

See section 5.1.1.4 for details on the IRO identification process.

ESG topic 14

Cybersecurity and protection of personal data

IROs	Description	Type	Time horizon	Policies related to the IRO
Risk of financial loss and business disruption due to cybersecurity incidents or personal data breaches	Financial losses in the event of total or partial shutdown or slowdown/disruption of operations due to system interruptions, investment in cybersecurity software and technological processes, loss of defense-related government contracts due to non-compliance with cybersecurity regulations or a leak of sensitive confidential data, and loss of competitive advantage due to intellectual property theft, resulting in revenue loss and an impact on the company's viability.	R	ST	Cybersecurity policy Personal data policy
Damage to customer and supplier security and privacy due to data breaches or theft	Theft of customers' personal information: the compromising of the sensitive personal information of Safran's customers could lead to privacy violations, financial fraud and security concerns.	I–	ST	Cybersecurity policy Personal data policy
Violation of national security through the disclosure or theft of classified information related to the country's defense	Weakening of national defense capabilities and threat to military operations, risk to the security of armed forces and deterioration of diplomatic relations.	I–	ST	Cybersecurity policy Personal data policy

I+ Positive impact; I– Negative impact; R Risk; O Opportunity; **ST:** Short-term; **MT:** Medium-term; **LT:** Long-term

5.1.4.5.2 Cybersecurity and personal data protection policy

[MDR-P-65a] [MDR-P-65b] [MDR-P-65c] [MDR-P-65d] [MDR-P-65e] [MDR-P-65f]

Cybersecurity policy

The Cybersecurity and Personal Data Protection Departments work in sync to ensure the security of all data used on Safran's information systems.

Safran's information systems security policy reflects the company's commitment to ensuring the long-term viability of its activities and strengthening its competitiveness through the security of all its data, in particular data relating to strategic information, product safety, legal compliance, management of critical activities, resistance to cyber-attacks and protection of personal data.

The cybersecurity policy is based on the following fundamental principles:

- identify threats from the onset, by monitoring and exchanging information within CERT-FR, Safran's CERT;
- ensure peripheral and in-depth detection of any intrusion attempt, using the best available resources under 24/7 surveillance;
- protect the Group's activities and information assets by applying state-of-the-art security to critical information systems and systems containing data whose disclosure, theft or alteration might have damaging consequences for Safran, its customers, partners or employees, especially as regards aviation safety;
- support the Group's development and IS transformation projects by providing, right from the design stage, a reference framework and adapted security measures in response to cyber threats;
- set up advanced resilience systems.

In deploying its policy, Safran relies on:

1. a risk management process to identify, assess and mitigate safety risks;
2. mechanisms for monitoring and controlling physical access to sensitive installations and equipment;
3. safe, robust and appropriate mechanisms for accessing infrastructure and information;
4. identification and authentication of information system users;

5. rigorous management of system configurations, including software, hardware and security parameters, to prevent vulnerabilities, assess risk propagation and ensure compliance with security standards;
6. regular and comprehensive system maintenance and updates;
7. effective management of potential security incidents;
8. appropriate information protection;
9. monitoring mechanisms to track user activities and regular audits;
10. strong protection of information systems and communications through firewalls, intrusion detection systems, regular software updates, robust encryption protocols and authentication mechanisms;
11. system and information integrity, as through the use of cryptographic hashes, verification and access control mechanisms, and regular audits;
12. regular safety awareness and training programs for employees.

Safran's ambitions are central to the Group's cybersecurity strategy, namely:

- contribute to the Group's growth and development while upholding its historical success factors;
- be irreproachable on quality, and improve performance while controlling costs;
- meet all legal and regulatory requirements.

Governance

Safran's cybersecurity policy is supported by a dedicated organization:

- Group Executive Management: sets objectives and allocates resources to meet these objectives to the departments concerned, including Digital and IS, Safety and R&T;
- the Digital and Information Systems Department, whose Director is a member of the Executive Committee;
- three security chains: the Cybersecurity chain for information systems, the CyberProduct chain and the Safety chain;
- a Group Information Systems Security Officer, a Group Product Security Officer, and two managers appointed in each tier-one entity, responsible for information systems security and industrial information systems security;
- the Group's cross-functional departments, chiefly Human Resources, Legal, Purchasing, Export Control, Audit and Internal Control, and Safety;
- bodies managing information systems security.

IS security steering bodies

IS security is managed through three bodies:

- the IS board: the IT Department's steering and decision-making body;
- the Group Cybersecurity Committee is attended by the Group Chief Executive Officer, officers from the Digital and Information Systems, Safety and R&T departments, two subsidiary chairs, and the Group Corporate Secretary in his capacity as the person responsible for the security of the Group's information systems. The Committee meets four times a year;
- the monthly Cybersecurity Management Meeting, attended by the IS Security Managers (ISSMs) from tier-one subsidiaries and chaired by the ISSM-G.

In addition, each tier-one entity has its own security committee, comprising the company's chairman or delegate, the central security manager and their line manager, the information systems director and the information systems security manager. This committee meets at least twice a year, to examine security aspects regarding the company's challenges, risks and major projects.

Personal data protection policy

The Group ensures that its business is conducted with respect for privacy and the protection of the personal data of its employees and contacts (customers, prospects, suppliers, partners, applicants, etc.). The compliance of Safran's personal data protection system is built on three pillars:

- **a Group policy**, which provides a framework for the governance and organization of personal data protection.

  Safran's personal data protection organization comprises a Group Data Protection Officer (DPO), DPOs in the tier-one entities, country correspondents and local correspondents for the Group's major sites. This network circulates procedures (rights of individuals, management and notification of personal data breaches, register of processing activities transferred outside the European Union), raises awareness among internal players and coordinates the compliance of activities and processes involving the processing of personal data;
- **an internal standard comprising procedures** aimed at implementing European and international regulations (and any developments therein) on personal data protection, including the binding corporate rules (BCR) that govern the transfer of personal data between the Group's international subsidiaries;
- **harmonized tools** to ensure accountability and the principles of privacy by design and by default.

Safran's personal data protection policy and the Safran BCR Controller are available on the Safran Group website. In the event of change in the Group's personal data protection policy, the new versions will be made available to the people concerned, on the Group website.

In addition, through its responsible purchasing guidelines and the personal data protection clauses in its contracts, Safran also requires the same compliance from all suppliers with which personal data is shared.

5.1.4.5.3 Actions

[ESRS 2 MDR-A]

Continuous improvement measures in cybersecurity include:

- action plans adapted to the context and risk levels involved, especially in the event of incident. The Cyber plan sets out the actions to be taken at Group level to strengthen or improve infrastructure cybersecurity. This is reviewed monthly by the Cybersecurity Plan SteerCom;
- measurement of system efficacy, using control points at site, company and Group level. This also provides confirmation of Safran's compliance with European standards;
- a training plan including in-person training and awareness-raising through e-learning on the Safran Digital Academy platform (see section 5.1.3.1.3).

The Group pursues development of its personal data protection compliance system through:

- awareness-raising for Group employees through e-learning and ad hoc sessions (IT, HR, etc.), and signature of an annual representation letter by the CEOs of the tier-one entities;
- reinforcement of the application of the principles of privacy by design and by default through the performance of compliance reviews and annual compliance audits by the DPO;
- transparency with regard to data subjects, mainly through access to Safran's personal data protection policy and BCR controllers on the Group's website.

5.1.5 Methodology note on social and governance metrics

The social and governance metrics in this section take into account the requirements of the CSRD. The reporting period is the calendar year from January 1 to December 31, 2024 and covers the worldwide scope, unless otherwise stated. The metrics are documented in internal references. The definitions of the key metrics are presented below.

5.1.5.1 Details on key labor metrics

5.1.5.1.1 Workforce-related metrics

Employees were accounted for at December 31, 2024. The figures are calculated in terms of physical persons, i.e., based on headcount. Employees include workers on permanent contracts (CDI) and fixed-term contracts (CDD), work-study contracts (apprenticeship or professional training contracts) and research student contracts (with an industrial training-through-research agreement (CIFRE) or a technology research diploma (DRT)).

Non-employee workers include temporary workers (monthly average over the period), interns with an internship contract of at least four weeks' duration (number of interns during the period) and students on an international volunteering contract (number of students on a VIE contract during the period).

Full-time and part-time employees: Employees counted as full-time and part-time are those on permanent contracts, fixed-term contracts, work-study contracts or research student contracts according to the SELIA database (with a completeness rate of approximately 95%). Data for India and Germany have been estimated for the year 2024.

Permanent and temporary contracts are open-ended contracts and fixed-term contracts, respectively, including work-study and research student contracts.

New hires concern the recruitment of employees on permanent contracts and employees on fixed-term contracts, excluding employees on work-study contracts (apprenticeship or professional training contracts) and research students with a CIFRE or a DRT. External employees hired following specific contracts are also included. Employees who join the Group further to acquisitions are not included in the metric.

Senior executives correspond to the members of the Group's Executive Committee and employees who are classified into four top-management 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.

Permanent departures concern employees leaving the Group under permanent contracts and fixed-term contracts, excluding employees on work-study and research student contracts, for the following reasons:

- retirement;
- resignation and other voluntary departures (e.g., end of trial period at the employee's initiative, abandonment of position);
- dismissal and other involuntary departures (e.g., negotiated termination, death, end of trial period at the employer's initiative, redundancy);
- end of contract.

Employee turnover rate is the number of employee departures during the calendar year, excluding employees on work-study and research student contracts, out of the total number of employees present at December 31 of the previous year.

Training refers to the average number of hours spent on both face-to-face and distance learning. Employees counted in these metrics include permanent and fixed-term employees excluding people on long-term leave, work-study students and research students.

High-potential employees are managers who are expected to be able to successfully assume responsibilities within a management committee or equivalent, in the short to medium term.

5.1.5.1.2 Metrics related to employee health and safety

Fatalities are those resulting from workplace accidents or occupational illnesses declared to be in connection with Safran's activities. Fatalities are counted for employees, non-employee workers and others (on-site service providers, who form part of Safran's value chain).

Accidents: Workplace accidents are accidents that occur in the workplace and during work while the employee is under the employer's authority. These accidents therefore do not include those occurring while commuting to or from work. Accidents counted are those resulting in more than 24 hours of absence from work (lost time accidents).

The frequency rate of lost-time accidents equals the number of incidents resulting in one day or more of lost time, divided by the number of hours worked, multiplied by one million. Hours worked correspond to theoretical hours, calculated based on a three-year average of actual hours worked. This average is calculated by country.

Occupational illnesses refer to any illnesses declared by workers in connection with their professional activity, even in the event of a dispute, as long as management has not confirmed that there is no link between the illness and the worker's activity at Safran.

% of Safran's own workers covered by the Health & Safety management system: Safran's employees and non-employees are covered by the health and safety management system described in the HSE manual and standards. All Safran sites are concerned. Safran uses HSE audits to verify the accuracy of sites' HSE maturity self-assessments.

5.1.5.1.3 Remuneration-related metrics

Scope: The reporting scope for the remuneration metrics concerning adequate wages, the gender pay gap and the pay ratio covers all employees who hold an employment contract with a Safran entity. In order to ensure consistency of results, only employees with at least one year's seniority in 2024 were included, particularly because some remuneration components are subject to criteria based on seniority (e.g., variable remuneration). The data collected represents 96% of the Group's workforce.

Adequate wages: The proportion of the Group's workforce (permanent or fixed-term employees, excluding work-study and research students) who receive an adequate wage is calculated taking into account their basic wage as well as guaranteed fixed bonuses, and excluding any other type of benefit. In accordance with the CSRD, the benchmarks used for adequate wages are as follows:

- in the European Economic Area:
  - the minimum wage set by national legislation or the applicable collective bargaining agreement for Germany, Belgium, the Czech Republic, Spain, France, the Netherlands and Poland (this benchmark is being used pending transposition into national laws of EU Directive 2022/2041 on adequate minimum wages);
  - 60% of the national median wage for Norway and Finland;
- outside the European Economic Area:
  - the minimum wage set by national or regional legislation for Australia, Brazil, Canada, China, Egypt, Hong Kong, India, Japan, Malaysia, Mexico, Morocco, New Zealand, South Africa, South Korea, Switzerland, Taiwan, Thailand, Tunisia, the United Arab Emirates, the United Kingdom and the United States;
  - the adequate wage set by the Fair Wage Network for Singapore.

Gender pay gaps: For the purpose of calculating gender pay gaps, the remuneration taken into account includes basic salary, guaranteed fixed bonuses and variable remuneration. These gaps have been calculated taking into account (i) job types, based on job categories, and (ii) the countries concerned. An average of the pay gaps by job category and then by country was calculated to determine the overall gender pay gap at Group level. With the implementation of the SELIA tool in 2025, the aim will be to strengthen the quality of the data transmitted, notably for India.

Pay ratio: The ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration for all employees was calculated on the basis of total annual remuneration, comprising basic salary, guaranteed fixed bonuses, variable remuneration (bonus and mandatory and discretionary employee profit-sharing) and long-term remuneration plans. Data on benefits-in-kind collected from companies have been excluded from the basis for calculating the metrics.

5.1.5.2 Details on key governance metrics

Supplier and subcontractor payment terms: The scope for calculating the standard payment terms and percentage of payments aligned with these terms corresponds to all Safran Finance Services (SFS) Shared Services Centers (SSC), which manage the accounts payable of the vast majority of Safran entities in France and internationally, representing 85% of our supplier invoices and 87.2% of consolidated supplier payables. An action plan is underway to complete this scope of calculation for the main material entities missing (in the Americas, where a separate information system is used).

Calculation of compliance with supplier payment terms involves comparing the due date calculated by Safran with the actual payment date for all invoices paid. The due date calculated by Safran is equal to the invoice date plus the payment condition indicated on the order. The calculation scope includes invoices that have fallen due and invoices with a dispute under supplier responsibility that have been paid late. The standard payment term corresponds to the average difference between invoice date and payment date for all paid invoices.

Percentage of senior executives and exposed or affected employees trained in anticorruption: This indicator represents the percentage of senior managers and exposed or affected employees trained in anticorruption among Executive Management and in the Purchasing, Human and Labor Relations, Legal, Finance, Audit and Internal Control, Ethics and Compliance, Commercial, Programs, Risks and Insurance and Communication departments.

Purchases made from suppliers that have signed Safran's responsible purchasing guidelines: This metric represents the percentage of the volume of purchases in euros made by the Group from production and non-production suppliers that have signed the GRF-0164 Safran responsible purchasing guidelines or have equivalent guidelines. This purchase volume corresponds to the volume managed by the purchasing organization; it excludes purchases related to partners and public authorities. Compliance is considered equivalent if the supplier meets Safran's CSR requirements compliance matrix, if it has signed equivalent guidelines with one of the other major GIFAS contractors (Airbus, Dassault, Thales), if it has signed the Sustainable Procurement and Supplier Relations guidelines of the French Business Mediation Service or of the IFBEC, if it has obtained the Responsible Supplier Relations and Purchasing label, or if it has obtained an EcoVadis CSR rating considered compliant by Safran.

5.1.6 Appendices

5.1.6.1 Disclosure Requirements in ESRS covered by the Sustainability Statement

Once the material IROs had been determined, Safran assessed the materiality and relevance of each disclosure requirement and, thereafter, of each data point.

[ESRS-2 IRO-2 59]

ESRS 2 – GENERAL DISCLOSURES

Disclosure Requirement	Section
BP-1 – General basis for preparation	5.1.1.1
BP-2 – Specific circumstances	5.1.1.1.2
GOV-1 – Roles of governance bodies	5.1.1.2.1
GOV-2 – Information provided to and sustainability matters addressed by these bodies	5.1.1.2.2
GOV-3 —Integration of sustainability-related performance in incentive schemes	5.1.1.2.3
GOV-4 – Due diligence	5.1.1.2.4
GOV-5 – Risk management and internal controls	5.1.1.2.5
SBM-1 — Strategy, business model and value chain	5.1.1.3.1
SBM-2 – Stakeholders	5.1.1.3.2
SBM-3 – Material IROs and their interaction with strategy and business model	5.1.1.4.2
IRO-1 – Process to identify and assess IROs	5.1.1.4.1
IRO-2 – Disclosure requirements in ESRS	5.1.1.4.3

ESRS E1 – CLIMATE CHANGE

Disclosure Requirement	Section
ESRS 2 GOV-3 – Governance	5.1.2.1.1
E1-1 – Transition plan	5.1.2.1.2
ESRS 2 SBM-3 – Material IROs and their interaction with strategy and business model	5.1.2.1.3
ESRS 2 IRO-1 – Process to identify and assess IROs	5.1.2.1.3
E1-2 – Policies	5.1.2.1.4
E1-3 – Actions	5.1.2.1.4
E1-4 – Targets	5.1.2.1.2; 5.1.2.1.6
E1-5 — Energy consumption and mix	5.1.2.1.5
E1-6 – Scopes 1, 2 and 3	5.1.2.1.6
E1-8 – Internal carbon pricing	5.1.2.1.7

ESRS E2 – POLLUTION

Disclosure Requirement	Section
ESRS 2 IRO-1 – Process to identify and assess IROs	5.1.2.2.1
E2-1 – Policies	5.1.2.2.2
E2-2 – Actions	5.1.2.2.3
E2-3 – Targets	5.1.2.2.4
E2-4 – Pollution of air, water and soil	5.1.2.2.5
E2-5 – Substances	5.1.2.2.5
E2-6 – Financial effects	5.1.2.2.6

ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY

Disclosure Requirement	Section
ESRS 2 IRO-1 – Process to identify and assess IROs	5.1.2.3.1
E5-1 – Policies	5.1.2.3.2
E5-2 – Actions	5.1.2.3.3
E5-3 – Targets	5.1.2.3.4
E5-4 – Resource inflows	5.1.2.3.5
E5-5 – Resource outflows	5.1.2.3.6

ESRS S1 – OWN WORKFORCE

Disclosure Requirement	Section
ESRS 2 SBM-2 – Stakeholders	5.1.1.3.2
ESRS 2 SBM-3 – Material IROs and their interaction with strategy and business model	5.1.3.1.1
S1-1 – Policies	5.1.3.1.3
S1-2 – Engagement process	5.1.3.1.3
S1-3 – Remediation process	5.1.3.1.3
S1-4 – Actions	5.1.3.1.3
S1-5 – Targets	5.1.3.1.3
S1-6 – Characteristics of employees	5.1.3.1.2
S1-8 – Collective bargaining coverage and social dialogue	5.1.3.1.3
S1-9 – Diversity metrics	5.1.3.1.3
S1-10 – Adequate wages	5.1.3.1.3
S1-13 – Training and skills development metrics	5.1.3.1.3
S1-14 – Health and safety metrics	5.1.3.1.3
S1-16 – Remuneration metrics	5.1.3.1.3
S1-17 – Incidents, complaints and severe human rights impacts	5.1.3.1.3

ESRS S2 – VALUE CHAIN WORKERS

Disclosure Requirement	Section
ESRS 2 SBM-2 – Stakeholders	5.1.1.3.2
ESRS 2 SBM-3 – Material IROs and their interaction with strategy and business model	5.1.3.2.1
S2-1 – Policies	5.1.3.2.1
S2-2 – Engagement process	5.1.3.2.1
S2-3 – Remediation process	5.1.3.2.1
S2-4 – Actions	5.1.3.2.1
S2-5 – Targets	5.1.3.2.1

ESRS S4 – CONSUMERS AND END-USERS

Disclosure Requirement	Section
ESRS 2 SBM-2 – Stakeholders	5.1.1.3.2
ESRS 2 SBM-3 – Material IROs and their interaction with strategy and business model	5.1.3.3.1
S4-1 – Policies	5.1.3.3.1
S4-4 – Actions	5.1.3.3.1
S4-5 – Targets	5.1.3.3.1

ESRS G1 – BUSINESS CONDUCT

Disclosure Requirement	Section
ESRS 2 GOV-1 – Role of governance bodies	5.1.4.1
ESRS 2 IRO-1 – Process to identify and assess IROs	5.1.4.2.1
G1-1 – Policies	5.1.4.2.2
G1-2 – Management of relationships with suppliers	5.1.4.2
G1-3 – Prevention and detection of corruption and bribery	5.1.4.3.2
G1-4 – Incidents of corruption or bribery	5.1.4.3.2
G1-5 — Political influence and lobbying activities	5.1.4.3.2
G1-6 – Payment practices	5.1.4.2.5

5.1.6.2 ESRS data points required by other EU legislation (ESRS 2 - Annex B)

Disclosure Requirement	Data point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Data point materiality	Section	Page
ESRS 2 GOV-1	21 (d)	x		x		Material	5.1.1.2.1	326
ESRS 2 GOV-1	21 (e)			x		Material	5.1.1.2.1	326
ESRS 2 GOV-4	30	x				Material	5.1.1.2.4	330
ESRS 2 SBM-1	40 (d) i	x	x	x		Not material	N/A	
ESRS 2 SBM-1	40 (d) ii	x		x		Not material	N/A	
ESRS 2 SBM-1	40 (d) iii	x		x		Not material	N/A	
ESRS 2 SBM-1	40 (d) iv			x		Not material	N/A	
ESRS E1-1	14				x	Material	5.1.2.1.2.	347
ESRS E1-1	16 (g)		x	x		Material	5.1.2.1.2.	353
ESRS E1-4	34	x	x	x		Material	5.1.2.1.6	358
ESRS E1-5	38	x				Material	5.1.2.1.5.	359
ESRS E1-5	37	x				Material	5.1.2.1.5	359
ESRS E1-5	40-43	x				Material	5.1.2.1.5.	359
ESRS E1-6	44	x	x	x		Material	5.1.2.1.6.	360
ESRS E1-6	53-55	x	x	x		Material	5.1.2.1.6.	363
ESRS E1-7	56				x	Not material	N/A	
ESRS E1-9	66			x		Material	Reported late	
ESRS E1-9	66 (a)		x			Material	Reported late	
ESRS E1-9	66 (c)		x			Material	Reported late	
ESRS E1-9	67 (c)		x			Material	Reported late	
ESRS E1-9	69			x		Material	Reported late	
ESRS E2-4	28	x				Material	5.1.2.2.5	373
ESRS E3-1	9	x				Not material	N/A	
ESRS E3-1	13	x				Not material	N/A	
ESRS E3-1	14	x				Not material	N/A	
ESRS E3-4	28 (c)	x				Not material	N/A	
ESRS E3-4	29	x				Not material	N/A	

Disclosure Requirement	Data point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Data point materiality	Section	Page
ESRS 2- SBM-3 – E4	16 (a) i	x				Not material	N/A	
ESRS 2- SBM-3 – E4	16 (b)	x				Not material	N/A	
ESRS 2- SBM-3 – E4	16 (c)	x				Not material	N/A	
ESRS E4-2	24 (b)	x				Not material	N/A	
ESRS E4-2	24 (c)	x				Not material	N/A	
ESRS E4-2	24 (d)	x				Not material	N/A	
ESRS E5-5	37 (d)	x				Material	5.1.2.3.7	376
ESRS E5-5	39	x				Material	5.1.2.3.7	376
ESRS 2 – SBM-3 – S1	14 (f)	x				Material	5.1.3.1.1	411
ESRS 2 – SBM-3 – S1	14 (g)	x				Material	5.1.3.1.1	411
ESRS S1-1	20	x				Material	5.1.3.1.3	410
ESRS S1-1	21			x		Material	5.1.3.1.3	411
ESRS S1-1	22	x				Material	5.1.3.1.3	411
ESRS S1-1	23	x				Material	5.1.3.1.3	392
ESRS S1-3	32 (c)	x				Material	5.1.3.1.3	407
ESRS S1-14	88 (b), (c)	x		x		Material	5.1.3.1.3.	394
ESRS S1-14	88 (e)	x				Material	Reported late	
ESRS S1-16	97 (a)	x		x		Material	5.1.3.1.3	405
ESRS S1-16	97 (b)	x				Material	5.1.3.1.3	405
ESRS S1-17	103 (a)	x				Material	5.1.3.1.3	411
ESRS S1-17	104 (a)	x		x		Material	5.1.3.1.3	411
ESRS 2 – SBM-3 – S2	11 (b)	x				Material	5.1.3.2.1	414
ESRS S2-1	17	x				Material	5.1.3.2.1	412
ESRS S2-1	18	x				Material	5.1.3.2.1	414
ESRS S2-1	19	x		x		Material	5.1.3.2.1	412
ESRS S2-1	19			x		Material	5.1.3.2.1	412
ESRS S2-4	36	x				Material	5.1.3.2.1	415
ESRS S3-1	16	x				Not material	N/A	
ESRS S3-1	17	x		x		Not material	N/A	
ESRS S3-4	36	x				Not material	N/A	
ESRS S4-1	16	x				Material	5.1.3.3.1.	417
ESRS S4-1	17	x		x		Material	5.3.3.1.1	417
ESRS S4-4	35	x				Not material	N/A	
ESRS G1-1	10 (b)	x				Not applicable.	N/A	
ESRS G1-1	10 (d)	x				Not applicable.	N/A	
ESRS G1-4	24 (a)	x		x		Material	5.1.4.3.2	430
ESRS G1-4	24 (b)	x				Material	5.1.4.3.2	429

5.1.7 Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024

This is a free translation into English of the statutory auditors' report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it 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 the H2A guidelines on Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852.

To the Annual General Meeting of Safran,

This report is issued in our capacity as statutory auditors of Safran. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 included in the management report and presented in section 5.1 of the Universal Registration Document (hereafter the "Sustainability statement").

Pursuant to Article L. 233-28-4 of the French Commercial Code, Safran is required to include the above-mentioned information in a separate section of its management report. This information has been prepared in the context of the first-time application of the aforementioned Articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. This information enables an understanding of the impact of the activity of the Group on sustainability matters, as well as the way in which these matters influence the development of the business of the Group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 paragraph II of the aforementioned Code, our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by Safran to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code;
- compliance of the sustainability information included in the Sustainability statement with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on *Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*.

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by Safran in its Sustainability statement, we have included an emphasis of matter(s) paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantee regarding the viability or the quality of the management of Safran, in particular it does not provide an assessment of the relevance of the choices made by Safran in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the Entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the Sustainability statement is not covered by our engagement.

Compliance with the ESRS of the process implemented by Safran to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by Safran has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that led to the publication of sustainability information disclosed in the Sustainability statement; and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by Safran with the ESRS.

We inform you that, as of the date of this report, the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code has not yet been performed.

Elements that received particular attention

We present hereafter the elements that received particular attention on our part regarding the compliance of Safran's disclosure process with the ESRS.

Concerning the identification of stakeholders

Information on stakeholders identification is provided in section “5.1.1.3 Strategy, business model and CSR policy” of the Sustainability statement.

We obtained an understanding of the analysis conducted by Safran to identify:

- the stakeholders who can affect or be affected by the entities within the scope of information, through their direct or indirect business activities and relationships across the value chain;
- the main users of the sustainability statements (including the main users of the financial statements).

We interviewed the Group’s sustainability management and the persons we deemed appropriate, and examined the available documentation. Our work consisted primarily in assessing the consistency of the main stakeholders identified by Safran with the nature of its activities and its geographical location, taking into account its business relationships and value chain.

Concerning the identification of impacts, risks and opportunities

Information on the identification of impacts, risks, and opportunities is provided in section “5.1.1.4 Safran ESG topics” of the Sustainability statement.

We obtained an understanding of the process implemented by Safran regarding the identification of actual and potential (negative or positive) impacts, risks, and opportunities ("IROs"), in relation to the sustainability matters set out in paragraph AR 16 of the “Application Requirements” of ESRS 1, and those specific to Safran as presented in Note “5.1.4.4 Innovation, support to research and scientific partnerships (ESG Topic 11)” of the Sustainability statement.

In particular, we assessed the approach set by Safran to determine its impacts and dependencies, which may be a source of risks or opportunities, notably the dialogue with stakeholders.

We obtained an understanding of Safran’s mapping of the identified IROs, including in particular the description of their distribution within Safran’s own operations and value chain, as well as their time horizon (short, medium, or long term), and we assessed the consistency of this mapping with our knowledge of the Group.

Concerning the assessment of impact materiality and financial materiality

Information on the assessment of impact materiality and financial materiality is provided in section “5.1.1.4 Safran ESG topics” of the Sustainability statement.

Through interviews with Management and the examination of the available documentation, we obtained an understanding of the process implemented by Safran to assess impact materiality and financial materiality, and assessed its compliance with the criteria defined in ESRS 1.

In particular, we assessed the way in which Safran prepared and applied the materiality criteria defined by ESRS 1, including the setting of thresholds to determine the material information disclosed under the metrics relating to the identified material IROs in accordance with the relevant ESRS subjects and in respect of Safran-specific disclosures.

Compliance of the sustainability information included in the Sustainability statement with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the information provided enables the understanding of the general basis for the preparation and governance of the sustainability information included in the Sustainability statement, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by Safran for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Sustainability statement, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the "Specific information and sources of estimation and outcome uncertainty and first-time application of the CSRD and ESRS" paragraph included in section 5.1.1.1.2 of the Sustainability statement, which mentions in particular the sources of uncertainty related to estimates and the interpretation of texts, the methodological limitations associated with certain metrics, as well as the information not disclosed or partially disclosed.

Elements that received particular attention

Information provided in application of environmental standards (ESRS E1 to E5)

We describe hereafter the elements to which we paid particular attention concerning the compliance with the ESRS regarding climate change (ESRS E1) disclosures presented in section "5.1.2.1 Climate and decarbonization c (mitigation and adaptation) – ESG Topic 1 (ESRS E1)" of the Sustainability statement.

Based on the interviews conducted with the Group's sustainability management, we assessed whether the description of the policies, actions, and targets implemented by Safran covers the following areas: climate change mitigation and climate change adaptation.

Regarding the information published concerning the greenhouse gas emissions summary:

- we assessed the consistency of the scope considered for the greenhouse gas emissions summary with the scope of the consolidated financial statements, the activities under operational control, and the upstream and downstream value chain;
- we obtained an understanding of the greenhouse gas emissions inventory protocol used by Safran to prepare the greenhouse gas emissions summary and assessed its application methods for a selection of emissions categories and sites, under scope 1 and scope 2;
- with regards to the estimates we considered to be critical and which the Entity used for the preparation of its greenhouse gas emissions summary, we obtained an understanding, through interviews with the climate management, of the calculation method used for the estimated data and the sources of information used in the development of the estimates;
- with regard to scope 3 emissions, we assessed:
  - the justification for the inclusions and exclusions of the various categories and the transparency of the information provided in this respect,
  - the process for collecting data;
- we assessed, on the basis of selections, the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data used;
- for physical data (such as energy consumption), we reconciled, on the basis of selections, the underlying data used to prepare the greenhouse gas emissions summary with the supporting documents.

With regard to the transition plan for climate change mitigation presented in section "5.1.2.1.2 Strategy" of the Sustainability statement, our work mainly consisted in:

- examining the information set out in "5.1.2.1.1 Governance" as part of the climate strategy (which notably covers the transition plan) approval by the governance bodies of Safran referred to therein;
- assessing whether the information published under the transition plan meets the requirements of ESRS E1 and appropriately describes the structuring assumptions underlying this plan, it being specified that we do not have to report on the appropriateness or the ambition level of the objectives of this transition plan.

Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by Safran to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We have concluded that there were no such matters to be disclosed in our report.

Paris-La Défense, March 21, 2025

The Statutory Auditors

French original signed by

FORVIS MAZARS SA		ERNST & YOUNG et Autres	
Jérôme de Pastors	Christophe Berrard	Philippe Berteaux	Nicolas Macé