

SAFRAN RESPONSIBLE PURCHASING GUIDELINES

RESPONSIBLE PURCHASING GUIDELINES BETWEEN SAFRAN AND ITS SUPPLIERS AND CONTRACTORS

PURPOSE

The relationship Safran maintains with its suppliers and contractors is an essential factor for the company's success. Safran expects its suppliers and contractors to comply strictly with applicable laws and regulations in the countries where they operate or provide services.

As a co-founder of IFBEC* (International Forum on Business Ethical Conduct), Safran supports the enforcement of international ethical and business-related compliance standards. The members of IFBEC have developed a supplier code of conduct that sets out the minimum ethical standards that suppliers must follow across the entire aerospace and defence industry. Safran enforces these guidelines in their entirety and therefore expects its suppliers to comply fully with the applicable laws and regulations in the countries where they manage their operations or provide their services. Wherever they operate, suppliers absolutely must conduct all their business activities in compliance with these Responsible Purchasing Guidelines. They are also expected to convey these principles at every step of their supply chain.

The purpose of these guidelines is to express Safran's expectations of its suppliers and contractors. It demonstrates Safran's intention to place the CSR selection criterion¹ on the same level as cost, quality, service, innovation and risk control criteria over the long term.

Through these guidelines, Safran aims to share its commitment with its suppliers and contractors, who are key to Safran's success, and to be sure of their dedication to sustainable development.

These guidelines are part of the contractual provisions signed with Safran or its companies.

SAFRAN'S COMMITMENT

As part of its sustainable development initiative, Safran commits to deploying a CSR strategy, which is a strategic pillar for the Group, based on nine key principles:

1. Promote and respect human rights;
2. Nurture human talent;
3. Foster a culture of integrity in the Group;
4. Comply with international regulations concerning import and export control;
5. Archive data accurately and reliably;
6. Protect information;
7. Constantly pursue excellence in the safety/protection of people and assets;
8. Develop innovative products and processes with a lower environmental impact (CO₂, energy, chemicals and waste);
9. Involve our suppliers and partners in implementing the Safran responsible purchasing guidelines.

In accordance with its CSR strategy, Safran is implementing a Purchasing Policy whose purpose is to turn purchasing into a sustainable competitive advantage over competitors, while also maintaining a balanced relationship with its suppliers and contractors. This Purchasing Policy is operated:

- In accordance with the group's Ethical Guidelines and code of conduct (<https://www.safran-group.com/fr/engagements/un-groupe-exemplaire>) and best practices set forth in the inter-company mediation

guidelines signed by Safran (http://images.cdaf.fr/cdaf/UtilisateursFichiers/201602/160203-CHARTE_Relations_Fournisseur_Responsable-20.pdf)

- In accordance with the IFBEC *Model Supplier Code of Conduct*², of which Safran is also a member (<http://ifbec.info>)
- In accordance with Safran's commitments to government entities, professional associations and other partners.

PRINCIPLES: In extending the deployment of its CSR strategy, Safran expects its suppliers and contractors to commit to assisting Safran based on the following principles:

I. PROMOTION OF AND RESPECT FOR HUMAN RIGHTS

Safran's suppliers and contractors must comply with the Fundamental Conventions of the International Labour Organisation (ILO) as well as all regulations applicable to their activities in the areas where they operate. Safran expects them to promote and respect human rights within their sphere of influence.

A. Child labour

Safran forbids itself from using suppliers and contractors who use child or forced labour. Safran's suppliers and contractors must ensure that no illegal child labour is used in the completion of their work. The term "child" here refers to any person under the legal employment age in the country where the work is performed, on the additional condition that this legal age complies with the provisions established by the ILO.

B. Human trafficking, including forced or bonded labour

Safran's suppliers and contractors must comply with regulations prohibiting human trafficking, as well as applicable local laws in the countries where they operate. They must refrain from violating the rights of others and must remedy any negative impact of their activities on human rights.

II. NURTURING OF HUMAN TALENT

Safran's suppliers and contractors must treat all people with respect and dignity, foster diversity, demonstrate openness to diverse opinions, promote equal opportunity and foster a culture of integration and ethics.

A. Harassment

Safran's suppliers and contractors must ensure that their employees have a working environment free of all physical, mental and verbal harassment, as well as all other forms of abusive behaviour.

B. Non-discrimination

Safran's suppliers and contractors undertake to:

- Eliminate all forms of discrimination with regard to access to employment and career pathways by promoting employment of persons with disabilities.

C. Working hours

² International Forum on Business Ethical Conduct

Safran's suppliers and contractors must comply with legal provisions regarding maximum working hours in the countries where they operate.

D. Wages and benefits

Safran's suppliers and contractors shall pay their employees based on the minimum wage established by local law and provide them with all social benefits required by law. In addition to pay for regular hours, overtime hours shall be paid at a higher rate as provided for by law. If a country does not have such a law in place, overtime hours must be paid at least at the same rate as regular hours. Withholding wages as a disciplinary measure is not permitted.

E. Labour dialogue

Safran's suppliers and contractors guarantee their employees' right to unionise and to communicate freely with their managers about working conditions without fear of harassment, intimidation, sanctions, pressure or reprisals. They also recognise and respect workers' right to free association through affiliation or non-affiliation with an association of their choice.

III. FOSTERING A CULTURE OF INTEGRITY IN THE GROUP

In accordance with its ethical guidelines and code of conduct, Safran selects its suppliers and contractors based on objective criteria, and requires these suppliers and contractors to allow Safran to fully satisfy its own expectations and those of its customers. Safran expects its suppliers to adopt the principles of these ethical guidelines and code of conduct and to apply them to their own suppliers and contractors.

A. Anti-corruption laws

Safran's suppliers and contractors must comply with applicable anti-corruption laws, directives and regulations in the countries where they operate. They must not offer or make inappropriate payments in the form of cash or objects of value to representatives of government or political parties, candidates for public office, or any other person. This includes payments that are intended to expedite or secure the performance of actions by the government, such as the granting of visas or customs clearances. This also applies to regions where such actions are not punishable by local law. Payments related to personal safety are authorised in the event of an imminent threat to health and safety. Safran's suppliers and contractors must show due diligence with regard to preventing and detecting corruption in all commercial contracts, including partnerships, associated companies, netting agreements and the recruitment of intermediaries such as agents or consultants.

B. Illegal payments

Safran's suppliers and contractors must not under any circumstances offer or accept illegal payments from customers, suppliers, their agents, their representatives, or from any other party. The direct or indirect acceptance, payment, or promise of cash or objects of value intended to exert influence or procure an unfair advantage is prohibited. This is also prohibited in regions where such activities do not violate local law.

C. Fraud and embezzlement

Safran's suppliers and contractors must not under any circumstances draw any benefit from acts of fraud, embezzlement or falsification, and they must not authorise a third party to do so. This includes fraud or theft within their company or that of a customer or third party, and all forms of misappropriation of assets.

D. Competition and Anti-Trust

Safran's suppliers and contractors must act in full compliance with competition law. Any consultation or dialogue between suppliers concerning price, bids or business conditions is strictly prohibited. Participation in any cartel or conspiracy agreement in France or abroad is strictly prohibited.

E. Gifts and business courtesies

Safran's suppliers and contractors are judged solely on the intrinsic quality of their products and services. Suppliers must ensure, in all their business relationships, that gifts or business courtesies given or received are authorised by law, that these exchanges do not violate the rules and principles of the beneficiary organisation, and that they align with permissible market practices and norms.

F. Insider trading

Safran's suppliers and contractors and their employees must not use any document or confidential information obtained in the course of their business relationship with Safran as the basis for a transaction or as a means to help third parties trade a company's stock or securities.

G. Conflict of interest

Safran's suppliers and contractors must ensure the absence of any conflict of interest or any situation that could lead to a conflict of interest. In the event of a real or potential conflict of interest, they must notify all concerned parties. This includes conflict between Safran's interests and personal interests or those of close relatives, friends or associates.

IV. COMPLIANCE WITH INTERNATIONAL IMPORT AND EXPORT REGULATIONS

A. Importation

Safran's suppliers and contractors must implement business practices that comply with applicable laws, directives and regulations on the importation of items, components and technical data.

B. Exportation

Safran's suppliers and contractors must implement business practices that comply with applicable laws, directives and regulations on the exportation of items, components and technical data. They must provide accurate and precise information and obtain export licences or permissions where necessary.

C. Sanctions and embargoes

Safran's suppliers and contractors must comply with all laws, directives and regulations on sanctions and embargoes that apply to exports, imports and associated financial flows.

D. Responsible ore supply

Safran's suppliers and contractors must comply with applicable laws and regulations concerning supply of certain ores (tin, tungsten, tantalum and gold) from conflict zones. In addition, they must establish a policy that allows them to reasonably ensure that the tin, tungsten, tantalum and gold contained in the items they produce do not directly or

indirectly fund armed groups whose activities violate human rights. They must also, where required by law, demonstrate due diligence in choosing the source and traceability of ores, and require the same diligence from their suppliers.

E. Counterfeits

Safran's suppliers and contractors must implement and maintain effective measures and procedures that are appropriate for their activities in order to ensure that no counterfeit items or materials enter the delivered products.

V. RELIABLE ARCHIVING OF DATA

Safran's suppliers and contractors must produce reliable records and not modify any saved data with the aim of concealing or misrepresenting a piece of information. All records produced or received as proof of a transaction, regardless of their format, must faithfully and fully describe the transaction. Records must also be saved in accordance with applicable data storage requirements.

VI. PROTECTION OF INFORMATION

A. Confidential/exclusive information

Safran's suppliers and contractors must appropriately process sensitive, confidential, exclusive and personal information. This information must not be used for any other purpose (e.g. publicity, promotion or other) than the one intended, without prior authorisation from its owner.

B. Intellectual property

Safran's suppliers and contractors must comply with applicable laws concerning claims to intellectual property rights, including disclosure protections, patents, copyrights and trademarks.

C. Information security and personal data protection

Safran's data and IT system security is an essential requirement for Safran. Safran may entrust data to and/or grant its suppliers and contractors access to its IT system. Safran's suppliers and contractors must comply with any security requirements that Safran sends them. In order to ensure the security and integrity of Safran's confidential information and data media in accordance with Safran's security requirements, suppliers and contractors shall take all necessary precautions to protect them, particularly by using computer access control methods and/or encryption of confidential information.

Safran's suppliers and contractors must process personal data provided by Safran in accordance with the principles of privacy by design and by default in particular. Safran's suppliers and contractors must make sure that appropriate computer, hardware and software security measures are in place in order to protect personal data from any loss, alteration or unauthorised access, and they must comply with the applicable legislation on personal data protection.

VII. CONSTANT PURSUIT OF EXCELLENCE IN THE SAFETY/PROTECTION OF PEOPLE AND PROPERTY

The financial and business performance of Safran's suppliers and contractors depends on industrial excellence. They are called upon to put in place a Health, Safety and Environment management system to ensure that risks associated with their activities are identified and assessed, and that all measures are taken to eliminate or control those risks.

Safran's suppliers and contractors must ensure the health, safety and welfare of their employees, contractors, visitors and all other persons who may be affected by their activities. They must comply with applicable laws and regulations concerning the environment, health and safety at work, as well as with the HSE policies of Safran sites where they operate.

VIII. DEVELOPMENT OF INNOVATIVE PRODUCTS AND PROCESSES WITH A LOWER ENVIRONMENTAL IMPACT (CO₂, ENERGY, CHEMICALS AND WASTE)

Safran's suppliers and contractors must use their best endeavours to develop and produce innovative technologies, processes and items that have the lowest possible environmental impact throughout their life cycle. In particular, they must:

- Deploy a strategy to reduce greenhouse gas emissions.
- Conserve natural resources, including energy sources, water and virgin raw materials.
- Limit the use of chemicals and processes that pose a risk to health or the environment.
- Limit waste production and recycle and reuse materials.
- Control production-related emissions and discharge.
- Adopt an eco-design approach for new products.

IX. INVOLVEMENT OF OUR SUPPLIERS AND PARTNERS IN IMPLEMENTING THE SAFRAN RESPONSIBLE PURCHASING GUIDELINES

A. Protect employees' right to notify

Safran's suppliers and contractors must implement measures and policies to allow their employees to freely express any problem related to legality or ethics without fear of reprisals. It is also up to them to take measures to prevent, detect and punish any act of retaliation.

B. Consequences of violating these guidelines

If the principles set forth in these guidelines are not respected, the business relationship with Safran may be reviewed and corrective action shall be taken in accordance with the relevant business contract(s). If no corrective action is taken, Safran may go so far as to end the business relationship in accordance with the relevant business contract(s).

C. Ethics policy

Depending on their size and type of business, Safran's suppliers and contractors must implement management systems to ensure compliance with laws and regulations, as well as the expectations set forth in these responsible purchasing guidelines. Safran's suppliers and contractors are encouraged to establish their own guidelines or code of conduct and to communicate their principles to their own suppliers and contractors. Safran expects its suppliers and contractors to put in place effective programmes that encourage their employees to implement the ethical practices above and beyond the requirements of the law, regulations and contractual obligations.

Important: A secure inbox, Safran@alertethic.com, can be reached anonymously and is open to suppliers who wish to confidentially report situations that go against ethical practices.

COMMITMENT BY SUPPLIERS AND CONTRACTORS

I, the undersigned, Mr or Ms (first name, surname)....., acting as(specify role), authorised to make a commitment on behalf of the company and understanding the principles of the Safran Group Responsible Purchasing Guidelines,

Commit to uphold these principles,

To adopt the measures necessary for compliance, and to pass on the content of the guidelines to all of my own suppliers and contractors.

Company name and stamp	Name and role of authorised signatory	Date	Signature