



CODE OF CONDUCT

Detecting and Preventing
Acts of Corruption



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FOREWORD

Companies today must go beyond their economic performance and customer satisfaction to succeed. They also need to embody the highest standards of corporate responsibility, integrity and ethics. For Safran this is of critical importance as our business puts us at the heart of environmental, safety and security issues for people, companies and countries.

At Safran we have recently published our Corporate social responsibility strategy, *Engage for the Future*, which is aligned with our corporate purpose. This strategy is based on four pillars: decarbonize aerospace, be an exemplary employer, embody responsible industry and demonstrate our commitment to society.

Strong ethics across the supply chain is an integral part of being a responsible company. It is the duty of each and every one of us to respect the highest ethical standards in everything we do. It is essential to the competitiveness and sustainability of our business as vigilance over trade compliance and anti-corruption is increasing every day.

In 2012, Safran was the first French listed company to be certified for its performance on the prevention of the international corruption risk. This demonstrates our highest ethical standards and the relevance of our trade compliance program.

We place high demands on ourselves, as well as on our business partners. Our strength, our pride, is to never accept any breach of our business integrity policy. Beyond our systematic compliance with the law, we should also take account of identified best practices.

The involvement of each and every one of us is the key to ensuring that Safran's commitments are always fulfilled. We must keep ahead of the game, remain vigilant and constantly remind ourselves of our obligations through regular training.

By maintaining our ethical standards at the highest level, we will stay true to our core values and contribute to the success of our Group. I attach great importance to us being exemplary in this field.



Olivier Andriès
CHIEF EXECUTIVE OFFICER



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> I. FOREWORD



1/ Purpose

Safran has developed a **zero tolerance anti-corruption program** and **policy** regarding public or private sector corruption, whether active or passive, direct or indirect.

The purpose of this Code of Conduct is to **define and illustrate** prohibited behavior to avoid the substance or appearance of corruption or influence peddling.

This Code refers to existing procedures, especially GRP-0301 relative to the corruption risks prevention and detection program, **GRM-0219** relative to the third party integrity evaluation guide, and **GRP-0153**, concerning gifts, invitations and other sponsorship expenses.

It is everyone's responsibility to read and apply this Code, and to routinely refer to it as required.

Furthermore, if employees have any doubt or questions, they should feel free to ask their immediate supervisor or Trade Compliance Officer for appropriate guidance.

2/ Scope of application

Safran's Code of Conduct applies to all Group companies and subsidiaries, regardless of location.

The Code of Conduct is suggested for adoption by companies in which Safran holds a minority stake, and to partners in our 50/50 joint ventures.

It is up to each employee to read this Code of Conduct available on the Safran intranet or in hard copy (upon request) at Human Resources.

The Code of Conduct is also available to Safran suppliers, trade partners and customers via the Safran website.

3/ Regulatory framework

Countries where Safran operates severely penalize acts of corruption, including large civil and criminal penalties for both organizations and individuals. Some countries, particularly the United States and the United Kingdom, have extraterritorial laws and penalties applicable to acts of corruption worldwide.

Safran's corruption risks prevention and detection program therefore incorporates legal principles derived from international agreements and respective national laws applicable to the Group's global entities,

- 1- Corruption Risk Map**, regularly updated and designed to identify, analyze and rank the Group's external risks.
- 2- Code of Conduct**, defining and illustrating prohibited behavior to avoid the substance or appearance of corruption. This Code is integrated into the company's internal rules and procedures, and mandates consulting the company Trade Compliance Officer or employee representative when ethical questions arise.
- 3- An ethics "hotline"** enabling employees to report behavior or situations contravening the company's Code of Conduct.
- 4- Procedures for assessing** third parties and intermediaries in relation to the corruption risk map.
- 5- Procedures for internal or external accounting controls** designed to ensure that the company's books, records and accounts are not used to conceal acts of corruption.
- 6- A communications and training structure** directed toward employees and management who may be exposed to incidents of corruption.
- 7- A disciplinary process**, enabling Safran to sanction employees if they violate the company's Code of Conduct.
- 8- An organization for the internal control and assessment** of anticorruption measures.

Specifically, the program applies **French law No. 2016-1691 of December 9, 2016** addressing the fight against corruption, transparency, and economic modernization, mandating the following:

In the event of non-compliance, the French Anti-corruption Agency (AFA) may, depending on the case, issue a warning or bring the matter before the Sanctions Board, so that the company and its representatives can update the internal compliance procedures. This Board may also assess financial penalties and order publication of its decision.

Safran's corruption risks prevention and detection program meets the requirements of all laws applicable to its businesses. Safran's goal is to foster a **culture of integrity and honesty**, ensuring **all employees understand** the absolute necessity of avoiding the risk and appearance of corruption in daily activities.

4/ Definitions

Infractions are designated in this Code of Conduct under the generic term of "**Corruption**" and include acts of **influence peddling, misappropriation of public funds, and favoritism**.

CORRUPTION

Corruption may occur **directly or indirectly**, including through the action or complicity of third parties.

is defined as an act by which a person in a given function, public or private, solicits/proposes, or agrees/gives a gift, an offer or a promise in order to accomplish, delay or avoid the accomplishment of an act that is, directly or indirectly, within the scope of that person's functions.

Corruption covers various practices, including:

- › **Bribes:** unwarranted proposal or payment of cash, gifts, loans, travel expenses, a job, or a donation, in return for a favorable decision.
- › **Facilitation payments:** small, non-official amounts unduly paid to secure a routine action by a public agent.

INFLUENCE PEDDLING

is defined as "the act, by a person holding public authority, tasked with a public service mission, or elected as a public official, to solicit or agree to, illicitly, at any given moment, directly or indirectly, proposals, promises, donations, gifts or any benefits of any kind whatsoever, for themselves or another person: either to accomplish or to abstain from accomplishing an act as a part of their function, their mission or their term, or facilitated by their function, mission or mandate; or to take advantage of their influence, real or assumed, in order to obtain from a public authority or administration distinctions, employment, contracts or any other favorable decision."

MISAPPROPRIATION OF FUNDS

is defined as the act, by a person holding a position of public authority, or tasked with a public service mission, of receiving, demanding or ordering the payment (in the form of rights, contributions, taxes or duties) of a sum that the person knows is not owed, or that exceeds what is actually owed.

FAVORITISM

is defined as the act by a person holding public authority, tasked with a public service mission, or elected as a public official, or exercising the functions of a representative, administrator or agent of the State, regional communities, public establishments, mixed-economy companies in the national interest tasked with a public service mission and local mixed economy companies, or by **any person acting on behalf of** one of the aforementioned, to procure or attempt to procure an **unjustified benefit** for a person by an act infringing on legislative or regulatory provisions designed to guarantee free access and equal opportunity for candidates in public contracts and public service assignments.



WHAT IS A PUBLIC AGENT?

The term “agent” designates all employees of a government administration, whether in France or abroad.

There are several categories of agents, distinguished according to their status (tenured, non-tenured under public or private law) and their employer (federal or local government, public establishments).

› **Persons holding public authority**

Persons holding public authority include representatives of federal and local governments, civil servants, representatives of public authorities, public and ministerial officers, as well as all persons holding a position of authority, such as armed forces personnel.

› **Persons tasked with a public service mission**

These are persons carrying out a mission in the general interest, or holding prerogatives derogating from the generally applicable rules of law. For example, this concerns judicial administrators and liquidation representatives, receivers, interpreters, bailiff clerks, persons operating on behalf of public entities, public bodies, public services, or public advisory boards and commissions with decision making authority.

› **Persons holding elected office**

This category includes all elected persons acting in the name of and on behalf of voters, including national, state and local legislators (e.g. members of parliaments, congress, councils) and executives (e.g. president, governor, mayor, etc.).

› **Legal personnel**

This includes judges, court clerks, mediators and arbitrators.

The definition of “public agent” may vary by country, as shown in the following examples:

- › **United States:** The Department of Justice (DOJ) uses a broad definition of foreign public agent. DOJ considers employees, executives or representatives of a company owned or controlled by a foreign country to be public agents.
- › **Saudi Arabia:** Contract employees working for the government, executives and employees of public companies, persons carrying out public service missions, and bank employees.
- › **United Arab Emirates:** Employees of companies with public share capital.
- › **China:** Any person having a close relationship with a current or former civil servant.
- › **South Korea:** Spouses of public agents, as well as certain types of persons whose profession is considered “public,” such as private school teachers or journalists.



5/ Risks facing Safran, its employees and legal representatives

A corruption offense may lead to the following sanctions in France:

> Corruption of a public agent is punishable by:

- 10 years in prison and a fine of 1 million euros; this amount can be increased to double the amount procured by the infraction for individuals.
- A fine of 5 million euros for companies; this amount can be increased to 10 times the amount procured by the infraction, up to a maximum of 30% of their revenue.

> Private sector corruption is punishable by:

- 5 years in prison and a fine of 500,000 euros; this amount can be increased to double the amount procured by the infraction for individuals.
- A fine of 2.5 million euros for legal entities; this amount can be increased to 10 times the amount procured by the infraction, up to a maximum of 30% of their revenue.

> In addition to the above sanctions, there may be further penalties, such as:

- **Prohibition of an individual from holding a government position or exercising public duties.**
- **Business closure.**
- **Exclusion from certain markets:** placement on sanction, elimination of guarantees, exclusion from public contracts, World Bank contracts, etc.
- **Mandatory compliance oversight** of business entities for up to 5 years.
- **Legal action to recover damages or otherwise** by stakeholders including non-governmental organizations (NGO), shareholders, competitors, etc.
- **Damage to corporate reputation** and resulting decline in share price.
- **Disciplinary action:** since the Code of Conduct is an integral part of Safran internal rules and regulations, any Group employee who violates the Code will be subject to disciplinary action, as defined therein.

> II. AT-RISK SITUATIONS

1/ Gifts and invitations¹



Hospitality items, such as gifts or invitations (meals, professional events, trips, entertainment) offered to or received from customers, suppliers or other third parties, and other sponsorships expenses, are cordial traditions often used to establish and maintain business relations.

However, according to the laws of most countries, the act of offering gifts and invitations and other sponsorships expenses may be considered corrupt if offered in order to obtain an unwarranted favor. In these situations, employees should always be guided by the exercise of discretion, caution and transparency.

 WHAT IS PROHIBITED	 WHAT REQUIRES THE AUTHORIZATION OF A SUPERVISOR	 WHAT IS AUTHORIZED ²
<ul style="list-style-type: none"> › Cash gifts, invitation and other sponsorships expenses › Soliciting gifts or invitations › Gifts in the form of services or benefits in kind › Any gift, invitation or benefit whatsoever, given to obtain an unwarranted advantage › Generally, any gift or invitation and other sponsorships expenses, at the time of or concurrent with a request for proposal or any other negotiation (except with the prior, written authorization of your supervisor having consulted the company Trade Compliance Officer) › Any illicit gift or invitation that infringes the laws and customs of the country where given or received, and/or violates the procedures of the beneficiary's organization › Any gift or invitation that could be deemed inappropriate or to infringe the dignity of the recipient › Any gift or invitation that does not fall within the scope of professional discourse and conduct 	<ul style="list-style-type: none"> › Any gift or invitation made to public agents <p>Before offering any type of benefit to a public agent:</p> <ul style="list-style-type: none"> • You should request the prior authorization of your supervisor in consultation with your company's Trade Compliance Officer • It is recommended that you expressly ask the beneficiary whether the benefit infringes the policies of their organization <p>In France, civil servants may not solicit or accept any benefits in cash or in-kind from third parties; such acceptance is deemed to compromise impartiality.</p>	<ul style="list-style-type: none"> › Gifts with a moderate value offered or received on an occasional basis within the scope of special events; well as promotional gifts that publicize the Group's brand, having little or purely symbolic value › Examples: fruit baskets, flowers, chocolate, invitations limited to reasonably priced meals, promotional items such as calendars and appointment books

¹For further information, see how your company applies GRP-0153 concerning gifts, invitations and sponsored trips

²Consult with your company's Trade Compliance Officer (<https://insite.collab.group.safran/Group-wideFunctions/compliance/Pages/default.aspx>) to learn about your company's rules on financial thresholds (based on GRP-0153)



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Any offer or acceptance of gifts or invitations and other sponsorships expenses must comply with the following principles:

- › **Compliant** with local laws and the code of conduct of the recipient's organization.
- › Made in **good faith** and reasonably related to promoting the Group's business.
- › The intention should **never** be to obtain an **unwarranted benefit, or to influence** a business decision or official action.
- › The value must be **reasonable and appropriate** to the circumstances.
- › Gifts or invitations should be irregular in frequency, **non-routine**, carried out in a professional and transparent manner.
- › To ensure traceability, a gift or invitation and other sponsorships expenses should be **documented**, including the name of the recipient organization and/or beneficiaries with retention of respective receipts or invoices as appropriate.

If there is any doubt regarding the propriety of a proposed gift or invitation, ask your company's Trade Compliance Officer or supervisor.

2/ Conflicts of interest



A conflict of interest is when “an individual or legal entity – administration, enterprise, media or association – must choose between respecting their professional duties and their private interests.”

At the individual level, a conflict of interest occurs when the personal interest of an employee directly or indirectly conflicts with the Group’s interests, noting personal interests may be of an economic, financial, political or professional nature.

For example, a conflict of interest may occur if a Safran employee has a friend or family member with private interests related to the Group’s business, or in the case of activities outside the Group, with a customer or supplier.

It is important that each employee decision and associated action are based on Safran’s need, and not on personal needs or interests. If an employee finds him or herself in a situation presenting a conflict of interest, he/she should immediately inform the respective supervisor.

 WHAT IS PROHIBITED	 WHAT REQUIRES NOTIFICATION TO OR RECEIVING THE PRIOR AUTHORIZATION OF A SUPERVISOR	 WHAT IS AUTHORIZED ³
<ul style="list-style-type: none"> › An current employee having a direct personal interest in or with one of the Group’s suppliers › An employee holding a position with or an obligation to one of the Group’s competitors (e.g., member of the competitor’s board of directors) › Personal or malicious use of Safran resources and influence, even without intent to harm; the mere appearance of a conflict of interest can have a negative impact. › Recruiting a former public agent prior to expiration of a mandatory regulatory or Safran Code of Conduct waiting period. Example: validation by the French public ethics committee of any individual employment transition from a public employer to a private company. French conflict of interest laws provide for a three-year waiting period between the end of a person’s public employment and transition to a private enterprise position whose function the person had previously exercised public oversight of. 	<ul style="list-style-type: none"> › Holding a second job with a customer, supplier or competitor › Holding a financial stake exceeding 5% in a company that has a business relationship with the Group (customers, suppliers, competitors) › Intended participation in a decision to hire or promote a friend or family member › Intended employment as an executive in an association outside Safran. This does not include religious or educational institutions and universities. 	<ul style="list-style-type: none"> › Any lawful, ethical action that promotes Safran’s interests consistent with this Code of Conduct.

³ Consult with your company’s human resources department.



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It is not always possible to avoid a conflict of interest, so keep the following principles in mind:

- › **To identify personal** conflicts of interest, routinely ask yourself if your decisions may be influenced by personal motives.
- › **Notification** means openly **reporting** to Safran management any existing or potential family member interest in or with a Safran supplier, subcontractor, partner or competitor.
- › **Declaring** any situation involving a conflict of interest means informing management as soon as possible about any real, potential or perceived situation posing such a conflict.
- › **Adopting** strict principles of behavior means daily pursuit of the Group's exclusive interests in the course of your job duties (without regard to personal interests).

If in doubt, always seek advice from your immediate supervisor or the Human Resources Department.

3/ Facilitation payments



These are payments used to **facilitate or expedite** the execution of routine administrative procedures or formalities that will normally be performed by civil servants (inspections, permit issuance, etc.).

They cover all elective (not required by law) payments typically in exchange for accelerating completion of a routine task, such as the issuance of authorizations, permits or visas, or the processing of administrative or customs forms.

While such practices may be tolerated in certain countries, facilitation payments are considered an act of corruption in most countries and are **strictly prohibited by Safran.**

 WHAT IS PROHIBITED	 WHAT REQUIRES THE AUTHORIZATION OF A SUPERVISOR	 WHAT IS AUTHORIZED
<ul style="list-style-type: none"> ➤ A bribe, even of a small amount, or a so-called "facilitation payment," is considered to be an act of corruption 	<ul style="list-style-type: none"> ➤ All requests for facilitation payments should be reported to your supervisor, or if applicable, to your company's Trade Compliance Officer 	<ul style="list-style-type: none"> ➤ No facilitation payment is authorized, except in the case of an extortion attempt that could endanger the life of the employee. In this case of duress, the employee should agree to the request, then report it immediately to his or her supervisor or Trade Compliance Officer

4/ Selecting business partners



According to a 2014 report by The Organization for Economic Co-operation and Development (OECD) analyzing nearly 430 cases of transnational corruption around the world since 1999, **75% of these cases involved illicit payments made by intermediaries.** A company may be held liable for acts of third parties operating on the company’s behalf.

According to the OECD, an intermediary is a person who acts as a facilitator or “middle-man” with or between one or more parties to a business transaction.

The intermediary or business partner usually is an individual or legal entity, serving as a conduit through whom goods or services are offered to another party or customer for the purpose of business development, establishing offsets, meeting contractual obligations, evaluating acquisition potential, or the establishment of a joint venture or other partnership interest.

 WHAT IS PROHIBITED	 WHAT REQUIRES THE AUTHORIZATION OF A SUPERVISOR	 WHAT IS AUTHORIZED
<ul style="list-style-type: none"> › Negotiation or execution of a contract with a business intermediary/partner for the purpose of achieving offsets, equity, or other acquisition interest without first consulting your company’s Trade Compliance Officer › Any consulting activity directed toward an interest group or government decision-maker with the intent of influencing a decision by that group or decision-maker, absent prior authorization by your company’s Trade Compliance Officer and the Safran Ethics & Compliance Directorate. 	<ul style="list-style-type: none"> › All business partner requests for consulting, lobbying, service provision, distribution, or partnership development support must receive prior written approval of your supervisor, your company’s Trade Compliance Officer and Safran Ethics & Compliance Directorate (see GRM-0219 – Third party integrity evaluation guide) 	<ul style="list-style-type: none"> › Preliminary discussions with a potential business partner prior to the exchange of confidential information or intent to form a contract



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When selecting a business partner, the following principles should be applied:

- › **Transparency:** having a detailed, written description of the requirement/need for the business partner including Safran approved documentation on the authenticity and reputation of the business partner.
- › **Appropriate compensation for services provided:** business partner compensation should be consistent with market practice and documented through a proper, payment process executed by the appropriate functional department.
- › **Monitoring the underlying contract and associated payments:** confirm services provided by business partners are consistent with their contractual obligations and agreed compensation.
- › **Regular updates:** annual review of internal and external business partner due diligence throughout each partner's engagement tenure with the Group.

5/ Lobbying



“Lobbying” refers to any **action by a representative of the Group’s interests** when dealing with a public official (in France or abroad) designed to influence or inform a public decision ⁴. Lobbying aims to advocate the Group’s interests and provide public decision-makers with technical expertise concerning the consequences and practical impact of planned or existing legislation.

Since lobbying activities seek to advocate the Group’s interests, they are entrusted to persons who do not have a conflict of interest with the Group. Lobbying activities at Safran are under the authority of the Corporate International and Public Relations department (DG2); see **Safran’s Responsible Lobbying Charter**. When a Group company wishes to undertake **indirect lobbying** utilizing the services of an outside consultant, it must ask **Safran Ethics & Compliance Directorate** through the company’s Trade Compliance Officer (TCO) to perform due diligence on the partner, in accordance with **GRM-0219** - Third party integrity evaluation guide.

 WHAT IS PROHIBITED	 WHAT REQUIRES INFORMING OR RECEIVING THE AUTHORIZATION OF A SUPERVISOR	 WHAT IS AUTHORIZED
<ul style="list-style-type: none"> › Any indirect lobbying directed toward an interest group or public decision-maker, without prior approval by the company’s Trade Compliance Officer and the Safran Ethics & Compliance Directorate. › Offering gifts, benefits, invitations, etc. to public decision-makers with the intention of influencing decision making and compromising neutrality ⁵. 	<ul style="list-style-type: none"> › Information regarding national or international political affiliations or obligations; employment as a national or international civil servant. › Intended recruitment of a former public decision-maker; intended utilization or compensation of public officials. 	<ul style="list-style-type: none"> › Advocating issuance of a license, permit, or other authorization for which there is a legal right to pursue the issuance thereof. › Taking an action required by law. › Pursuing an administrative appeal.

⁴ Article 25 of French law No. 2016-1691 of December 9, 2016 concerning transparency, the fight against corruption and the modernization of the economy, known as the “Sapin II” law.

⁵ Refer to GRP-0153.



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- › **Transparency:** Safran employees and (where applicable) external lobbyists, are to expressly state they are acting on behalf of the Group when conducting lobbying activities.
- › Actions to obtain information and/or decisions by **fraudulent means or false pretenses are prohibited.**
- › Check with your company's **Public Relations Department to determine** if you need to register as a lobbyist, particularly in France (the *Haute Autorité Française pour la Transparence de la Vie Politique* [HATVP – French authority for political transparency]).

6/ Selecting suppliers and subcontractors



Safran’s relationship with its suppliers and subcontractors is key to Safran success. Safran expects these companies to strictly comply with all laws and regulations in the countries where based and those in which they provide services. Consequently, Safran evaluates the integrity of the suppliers and subcontractors according to the GRM-0219 – Third party integrity evaluation guide by the Trade Compliance Officer of the company and, if necessary, by the Safran Ethics & Compliance Directorate.

The Responsible Purchasing Charter (GRF-0164) describes Safran’s policy of ethical relationships with suppliers.

An ethics clause is included in purchase contracts that Safran signs with its suppliers, along with Safran’s general purchasing terms and conditions.

 <p>WHAT IS PROHIBITED</p>	 <p>WHAT REQUIRES THE PRIOR AUTHORIZATION OF A SUPERVISOR</p>	 <p>WHAT IS AUTHORIZED</p>
<ul style="list-style-type: none"> › Disclosing the content of bids or proposals from certain suppliers to incite others to lower their prices › Accepting an invitation from a supplier to discuss contract renewal from their luxury box seats at a sports event › Favoring one supplier over another in exchange for an illicit benefit received 	<ul style="list-style-type: none"> › Receipt of an invitation to an event organized by a supplier › Receipt of a gift from a supplier exceeding the Safran company de minimis value or when the intent of the gift is in question 	<ul style="list-style-type: none"> › Receiving a low-value promotional gift with the supplier’s logo (appointment book, calendar, etc.)



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Safran's suppliers and subcontractors must comply with all applicable **laws, directives and regulations, including anti-corruption measures** applicable in the countries where they do business. They must not make or offer inappropriate payments in the form of cash or otherwise to representatives of public authorities, political parties, candidates for public office or any other person.

Safran policy prohibits payments intended to expedite public actions, such as visa issuance or customs clearance, even in countries where such action is not prohibited by law. If Safran learns that inappropriate actions have been taken, it reserves the right to terminate any underlying contractual relationship with the business partner(s) in question.

Your company's Trade Compliance Officer must be consulted prior to purchasing consulting or advisory services to determine the correct approval procedure⁶.

⁶ See procedure GRP-0271.

7/ Corporate philanthropy



Through sponsorship and company foundations for support of non-profit organizations and support of the arts, SAFRAN selflessly offers a financial or material support to general interest projects lead by public or private partners supporting implementation of educational, social or cultural initiatives and accompaniment of young musical talents.

Sponsorship activities are framed and must concern educative field. Due diligence must be carried out prior to selecting an organization to support (e.g., reviewing authenticity, name and reputation). No contribution may be made prior to its approval by your company’s **Trade Compliance Officer**. Any donation exceeding 10,000 euros must be approved by Safran’s Corporate Philanthropy Committee⁷.

These activities cannot be misrepresented of their philanthropic purpose to be used fraudulently to pass bribes, especially when they are attributed to a charity which might benefit to a third-party such as a public agent. Sponsorship or donation can never be used as counterpart of a commercial advantage.

Any funding of political parties is strictly prohibited.

 <p>WHAT IS PROHIBITED</p>	 <p>WHAT REQUIRES PRIOR AUTHORIZATION OF A SUPERVISOR</p>	 <p>WHAT IS AUTHORIZED</p>
<ul style="list-style-type: none"> › Donations to a political organization in the name of Safran › Donations to a religious organization in the name of Safran › Examples of unacceptable philanthropy projects: <ul style="list-style-type: none"> • Donation for payment of music teacher salaries at a school • Private lessons for a single child, etc. 	<ul style="list-style-type: none"> › Donation of less than 10,000 euros requires prior notification of your company’s Trade Compliance Officer and your company’s Philanthropy Committee › Donations equal to or exceeding 10,000 euros: prior approval by Safran’s Corporate Philanthropy Committee required 	<ul style="list-style-type: none"> › Examples of acceptable philanthropy projects: <ul style="list-style-type: none"> • A science fair in a school • Coaching sessions to help high-school students from underserved areas pass competitive entrance exams, etc. • Purchase of equipment (technologies, books, etc.) to improve learning conditions

⁷ Charitable operations are centrally managed by the Corporate Philanthropy department and the Group’s foundations (see the **September 7, 2015 memo from Corporate Communications describing Safran’s Corporate Philanthropy strategy, and the associated support request form**).



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- › Group companies may implement their own sponsorship actions provided that:
 - They concern education,
 - They are local,
 - Necessary budget is below 10 000 euros.

- › Companies must seek group general delegate for sponsorship:
 - When their action may influence group's image
 - When the action has a national or international scope
 - When budget exceeds 10 000 euros and/or they want a Group's Sponsorship financial contribution.

- › No donation may be offered, promised or made if intended to influence official action or procure an unwarranted benefit.

- › Philanthropic actions must always be carried out in a fully transparent manner.

- › Philanthropic actions must be fully **traceable** and follow formal Safran organization selection and approval procedures.

> III. CODE OF CONDUCT ADMINISTRATION

1/ Reporting behavior or situations contravening the Code of Conduct

If any employee has questions or doubts regarding appropriate conduct or behavior, he/she should immediately consult either his/her supervisor, the Trade Compliance Officer, members of the Ethics & Compliance Directorate, or representatives of the Human Resources Department.

In accordance with its ethical commitments, Safran has also set up a confidential ethics hotline whereby employees may anonymously report any behavior or situation believed to be contrary to this Code of Conduct. This new hotline is in addition to other ethics reporting means available within the Group.

Employees now have a dedicated email address (below) to which they can report good faith concerns regarding violations of this Code of Conduct. All concerns will be duly registered and investigated.⁸

safra@alertethic.com

2/ Penalties for violating the Code of Conduct

This Code of Conduct is an integral part of Safran's internal rules and procedures. Any Safran employee who violates the Code of Conduct may be subject to disciplinary action as defined in Safran rules and procedures (see also herein **Chapter 5, "Disciplinary penalties"**).

⁸ A good faith report must be based on a reasonable belief in the truth of the matter asserted, and without expectation of compensation. Good faith reports that prove unfounded upon investigation will not subject the reporting employee to Safran sanction of any kind. Malicious or knowingly false reports will subject the reporting employee to appropriate disciplinary and/or legal action.