



DUTY OF VIGILANCE PLAN

2021 REPORT

This version is a translation of the original French version, which should prevail in case of doubt.

This document falls within the framework set by articles L.225-102-4 and L. 225-102-5 of the French Commercial Code resulting from law no. 2017-399 of March 27, 2017, relating to the duty of vigilance for parent companies and contracting companies.

The Group, of which ArianeGroup Holding is the top holding entity, meets the criteria defined by the law for the establishment of a vigilance plan. In this context, together with its subsidiaries, ArianeGroup Holding has initiated actions designed to identify risks and prevent serious impacts on human rights, fundamental freedoms, health, safety and the environment resulting from the Group’s activity, including relations with subcontractors and suppliers, with a view to establishing a vigilance plan.

This report includes the Group’s policy on matters covered by the Law of March 27, 2017, its actions carried out during the 2021 financial year, and its scheduled objectives for the future. It is an integral part of ArianeGroup Holding’s management report for the year ending on 31/12/2021. After submission to the Company’s Board of Directors, this report is published on the Group’s website.

Terms in this report that begin with a capital letter can be found in the glossary on page 16.

TABLE OF CONTENTS	
1. ACTIVITY	2
1.1 GENERAL PRESENTATION	2
1.2 BUSINESS AREAS	2
2. METHODOLOGY AND GLOBAL APPROACH	3
3. ARIANEGROUP AND ITS SUBSIDIARIES	3
3.1 Mapping and identification of major risks	3
3.2 Regular assessment procedures	4
3.3 Actions to mitigate risks or prevent serious infringements	4
4. SUPPLIERS AND SUBCONTRACTORS	12
4.1 Risk mapping and procedures for regular assessment	12
4.2 Actions to mitigate risks or prevent serious infringements	13
5. INCIDENT REPORTING	14
6. MONITORING SYSTEM	14

1. ACTIVITY

1.1. GENERAL PRESENTATION

As the lead contractor for European Ariane launchers, and missiles for the French Navy's Strategic Oceanic Force (FOST), ArianeGroup's mission is to pave the way for European space exploration in order to ensure a safer world for all.

The company, a single entity whose shares are owned equally by Groups Airbus and Safran, encompasses a comprehensive array of business activities and expertise regarding civil and military space launchers. ArianeGroup also manages a business portfolio for defense and space equipment, either directly or through its 11 subsidiaries and affiliated companies.

The Group has a headcount of about 8,800 highly skilled employees, mainly based in France and Germany. Although ArianeGroup was created in 2016, it is grounded in over 70 years of European space industry history.

1.2. BUSINESS AREAS

ArianeGroup's business consists of three main areas:

1.2.1. SPACE LAUNCHES

Its activities cover the entire life cycle of a space launcher, from design to development, production, operation and marketing, through its subsidiary Arianespace. ArianeGroup produces and operates the Ariane 5 launcher and is developing the future Ariane 6 launcher, for the European Space Agency (ESA). As lead contractor and design authority, ArianeGroup coordinates an industrial network of more than 600 companies in 13 European countries, involved in the Ariane 6 program. ArianeGroup designs innovative, highly competitive launch system solutions for its institutional, commercial and industrial customers. The Group is thus expert in the most cutting-edge technologies, from complete propulsion systems (cryogenics, storage or solid), right down to equipment and materials.

1.2.2. DEFENSE

Another main aspect of ArianeGroup's business activities concerns the M51 ballistic missile, a key element of the French deterrent force. The three-stage, sea and ground strategic ballistic missile (SLBM) is designed to be launched from French nuclear-powered ballistic missile submarines (SSBNs). Prime contractor for the M51 program for the French Directorate General of Armaments (DGA) on behalf of the French Navy's Strategic Oceanic Force (FOST), ArianeGroup brings together the expertise of more than 900 French industrial companies with a dual objective: a constant quest for the highest level of performance, and national independence. Its responsibility includes upstream research, the design, development and production of missiles, their ground-based implementation systems, and control and command systems onboard submarines. ArianeGroup also ensures the Through Life Support (TLS) of the systems and their dismantling at the end of their service lives.

1.2.3. EQUIPMENT AND SERVICES

ArianeGroup has extensive expertise in the development and manufacturing of propulsion systems and equipment for space applications, both to and from space: launchers, satellites, space vehicles and landers. Expert in orbital propulsion, the company supplies complete satellite propulsion and sub-propulsion systems to all European contractors and to many international customers. ArianeGroup is one of very few space companies in the world to be thoroughly competent in propulsion technologies for launchers — storable or cryogenic liquid propellants, and solid propellants — and for space applications: chemical and electric monopropellants and bipropellants (radio-frequency ion thrusters - RITs).



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As a result of its experience as a contractor for complex space programs, ArianeGroup is able to offer tailored studies and solutions for space, defense and security infrastructure projects: ground-based infrastructure, operation and control centers, space traffic management systems, Space Situational Awareness (SSA) systems, energy production facilities, and end-of-life dismantling. ArianeGroup subsidiaries have extensive expertise in specific sub-systems and equipment for space, defense and industrial applications, such as pyrotechnic and mechanical devices, and optical, optronic and neutronic systems.

2. METHODOLOGY AND GLOBAL APPROACH

This report has been prepared under the auspices of the General Secretary, a member of the Executive Committee of ArianeGroup and the President of ArianeGroup SAS.

Since September 2019, the main departments and functions that contribute to the definition and management of vigilance measures have been brought together within the General Secretary: sites, health, safety and environment (HSE), legal, ethics and compliance, corporate social responsibility (CSR), data protection officers (DPOs), audit as well as Affiliates management.

These departments and functions coordinate with other contributing functions such as risk management and internal control, human resources, procurement, as well as with subsidiary compliance officers. The elaboration of vigilance measures is also consistent with multi-stakeholder initiatives in the aerospace sector, in particular within the French aerospace industry association (GIFAS) and ESA. In addition, in keeping with its CSR approach, a materiality analysis was carried out in 2018 in order to identify the most important issues for the Group. By interviewing a diverse panel of internal and external stakeholders (employees, shareholders, customers, suppliers, space agencies, sectoral organizations, civil society and academic actors), the analysis served as a basis for the Group's CSR strategy and its Sustainability Commitments, which were published in 2020.

The CSR approach helped to identify priority issues: diversity and equal opportunities, work-

life balance, responsible purchasing and carbon footprint reduction with regards to ArianeGroup's activities.

The ArianeGroup CSR report provides a detailed description of these topics.

In 2020, the risk of a COVID-19 pandemic was confirmed, as identified in the company risk map. The crisis gave rise to the setup and implementation of specific mitigation plans for HSE and human resources. This continued all throughout 2021.

ArianeGroup provided its subsidiaries with continuous support to manage the situation, in particular during government lockdown periods.

3. ARIANEGROUP AND ITS SUBSIDIARIES

3.1. MAPPING AND IDENTIFICATION OF MAJOR RISKS

Every year, ArianeGroup establishes a **comprehensive risk map** that covers the Group's activities. The Enterprise Risk Management (ERM) and Internal Control department within the Finance department is responsible for supervising mapping and risk management. The methodology for identifying, assessing and prioritizing risks is set forth in a Group-level procedure. Each identified risk is listed according to its probability of occurrence and its impact on the Group's personnel, sales, finance, reputation and know-how. Once the criticality of each risk has been assessed, actions are determined to reduce its probability and/or impact. Risk maps and reduction strategies are presented twice a year to the ArianeGroup Executive Committee. The meeting is meant to reassess risks concerning the Group's activities, check the progress status of actions, and the effectiveness of those being implemented.

The comprehensive risk mapping tools and methodology take into account social and environmental risks that are relevant for duty of vigilance.

The main risks for stakeholders and the environment are those which concern health and safety, in particular industrial and personnel risks (workplace accidents, work-related illnesses), psychosocial risks, as well as environmental



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risks such as accidental pollution of water, soil, air, and risks associated with climate change.

Vigilance enables permanent anticipation, and therefore, prevention, of these risks. Risks are managed by Site Management directorates (9 sites in France including affiliated sites, and 4 in Germany).

A transversal team, in charge of oversight, reports to the General Secretary during the half-year review coordinated by the ERM department.

Risks regarding human rights and fundamental freedoms particularly concern equality, diversity, harassment prevention, and psychosocial issues. These risks are managed by the human resources department with the exception of data protection risks, which are coordinated by DPOs.

Subsidiaries apply ArianeGroup's risk identification and prioritization methodology, and adapt it according to their size and activity specifications.

ArianeGroup ensures that the methodology is applied by conducting a bi-annual risk review and an annual internal control test campaign. At the end of the risk review and internal control campaign, each Subsidiary issues a "letter of affirmation" in which it commits to implementing and properly applying company risk management and internal control processes.

Subsidiaries report their major risks and their associated action plan (risk mitigation, prevention of serious impacts) for analysis and consolidation in the Group's risk map. As a result, Group experts are able to address some of the risks reported by the Subsidiaries, in keeping with the specific characteristics of their industry (pollution, regulatory compliance) and the duty of vigilance.

3.2. REGULAR ASSESSMENT PROCEDURES

The Group has set up:

- an **internal control** function in the Finance department. Its purpose is to oversee the proper application of about 150 checkpoints as described in a reference framework, and to determine and follow up improvement initiatives in the event of non-compliance. This internal control system helps to regiment the Group's activities, the efficiency of its operations and the effective use of its

resources. It aims to help the Group to take significant operational, financial and compliance-related risks into consideration.

The framework includes monitoring how the Subsidiaries implement procedures in compliance with applicable regulations for human resources management and safety, health, and the environment, as well as establishing corresponding responsibility.

- an **independent internal audit** function that reports to the Group's general Secretary. This function is tasked with carrying out audits and analyses on behalf of the Executive Committee and the ArianeGroup Holding Board's Audit, Risk, Finance and Compliance Committee (ARFCC). Audits may be requested by members of the ArianeGroup Executive Committee, by the ARFCC as part of the Group's audit, or to address a specific issue. Such internal audits include written reports based on objective and independent analyses, and ensure the implementation of corrective action plans.

Moreover, being that ArianeGroup operates industrial sites, mainly located in France and Germany, the company is subject to a strict regulatory framework. The sites undergo regular inspections by relevant governmental authorities (i.e., DREAL, DIRECCTE, Occupational health services, etc.).

All ArianeGroup sites operate in accordance with an HSE performance system, which has been certified as an ISO14001 equivalent by an external entity. The system's implementation is monitored by internal and external audits.

3.3. ACTIONS TO MITIGATE RISKS OR PREVENT SERIOUS INFRINGEMENTS

The Group's vigilance process and its implemented initiatives are continually being deployed and adjusted.

3.3.1. CODE OF ETHICS

Since its early days, ArianeGroup has been committed to meet the highest standards in terms of human rights, and to limit its environmental impact by conforming to a **Code of Ethics**.

ArianeGroup adheres to the principles contained in the fundamental conventions of the



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International Labor Organization (ILO), the guiding principles of the Organization for Economic Co-operation and Development (OECD) for Multinational Enterprises and the United Nations' Universal Declaration of Human Rights.

These principles are included in the ArianeGroup Code of Ethics which sets forth ethical standards and essential values within the Group.

The Code is available in the three main languages used at ArianeGroup: German, French and English.

It is part of the internal regulations of French sites and is given to each new company hire.

The Subsidiaries apply it and have incorporated it into their respective documentation systems. The Dutch and Chinese Subsidiaries have translated the ethical principles into their respective languages.

In 2021, the Group developed a digital training program to improve awareness of principles and standards set forth in the Code of Ethics.

3.3.2. HUMAN RIGHTS AND FUNDAMENTAL LIBERTIES

ArianeGroup has transposed the main principles set forth in the Universal Declaration of Human Rights: diversity and equal opportunities; occupational safety and health; the right to rest and to paid leave, etc., into its sites' internal regulations and collective agreements.

On March 13, 2020, ArianeGroup SAS strengthened its approach by signing an agreement that addresses well-being at work and prevention of psychological risks. The agreement's provisions focus on four main areas:

- quality of work life,
- the right to a chosen connection and the right to disconnect,
- prevention of psychological risks: prevention of sexual and moral harassment, sexist acts, workplace violence, and work-related stress,
- prevention of discrimination.

The measures provided for in this agreement have been set forth in a currently implemented action plan.

The COVID-19 pandemic also led ArianeGroup to strengthen remote working practices. Although they already existed in accordance with work agreements, the company implemented exceptional remote working schemes within the framework of article L.1222-11 of the French Labor Code.

(a) COMBATING DISCRIMINATION

As part of its general policy to combat all forms of discrimination, ArianeGroup aims to prevent and deal with potential situations of discrimination by deploying specific measures set forth in a company agreement and in accordance with applicable regulations.

Preventive measures with regard to recruitment, employment and access to vocational training are being implemented. Human resources management processes at ArianeGroup are based exclusively on matching professional skills with the Group's needs.

As part of the aforementioned March 13, 2020 agreement, the company has established a comprehensive and unified approach aimed at preventing and dealing with situations of alleged discrimination, of whatever nature, through a specific procedure.

In addition, ArianeGroup provides employees with tools that inform them about and raise awareness of the measures that the company has put into place. Communications for managers are also deployed.

Gender equality in the workplace

Taking workplace parity and equality into account is a key element of ArianeGroup's corporate identity. A never-ending goal, it drives the company to attract new talent — women and men — in order to promote skill diversity, foster creativity and innovation, and encourage a large variety of perspectives.

In November 2020, ArianeGroup SAS signed an agreement in which it permanently commits to fostering gender equality in the workplace.

The company is strengthening its gender diversity policy by consolidating actions that have already been implemented and laying down the principles of new dynamics in several areas.



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This agreement sets forth specific measures in order to fight against discrimination during the recruitment process. Recruitment and human resources personnel, managers, and recruitment service providers have been made aware of promoting diversity, the company's challenges and commitments, and associated legal aspects. Upskilling sessions for Human Resource Business Partners (HRBPs) and recruitment managers will be organized on a regular basis, at least every two years. Regular updating of the afore mentioned guidelines for discrimination prevention also helps to heighten manager awareness. ArianeGroup SAS continually implements procedures to monitor and take measures regarding remuneration. This helps to systematically analyze men and women's salaries independently of pay policies, and to possibly measure any salary gaps. In the event of any individual situation which involves a seemingly unjustified salary gap, a tailored analysis is conducted and, if appropriate, the salary is adjusted accordingly over one or more years.

The aforementioned agreement also sets forth monitoring indicators for areas such as hiring, remuneration, training, or promotions.

Workplace discrimination representatives have been appointed to each of the ArianeGroup GmbH sites.

ArianeGroup GmbH has also set targets to increase the percentage of women in management positions in 2022. The goals are to go from 0% to 10% for executive managers, and from 14% to 19% for senior managers.

In addition, ArianeGroup's general management has set forth mid-term goals that aim to strengthen workplace dynamics by increasing the percentage of women in management positions by end 2025: a 20% increase of women in the company's top management positions.

The Group's French Subsidiaries are subject to the same regulatory framework, and as such, implement policies to promote gender equality and reduce discrimination risks. The French Subsidiaries, which employ more than 50 people, are particularly under the obligation to calculate and publish a gender equality index.

In 2021, the Chinese Subsidiary also introduced this gender equality index

GENDER EQUALITY INDEX

ArianeGroup SAS's overall score for 2021, based on the gender equality index defined by the French Law of September 5, 2018, was 79/100 (90/100 in 2020).

Employment integration and retention of people with disabilities

ArianeGroup enforces a diversity policy, which includes measures for the recruitment, retention and career development of people with disabilities.

As a follow-up to the 2019 agreement, ArianeGroup SAS and AGEFIPH (Association de gestion du fonds pour l'insertion des personnes handicapées) signed a new agreement in June 2021. It will terminate in December 31, 2024. As a result, ArianeGroup has renewed its commitment to AGEFIPH and to disability-related initiatives at all its sites. The company will develop new ways to promote employment, foster employment retention, and increase employee skills in order to anticipate any eligibility or disqualification issues.

These measures are overseen by disability representatives who work on each of the ArianeGroup sites. Each site's disability representative liaises and works with those involved inside and outside the company in order to examine and deploy multidisciplinary employment retention solutions for employees with disabilities.

The network of disability representatives is led by the ArianeGroup Mission Handicap, a service within the Diversity department, which in turn is part of Human Resources.

A similar approach has been set up at ArianeGroup GmbH: representatives for inclusion and for employees with disabilities have been appointed at each site.

(b) COMBATTING MORAL AND SEXUAL HARASSMENT, SEXIST CONDUCT AND WORKPLACE VIOLENCE

ArianeGroup respects the dignity and privacy of every employee, makes sure it is enforced and does not tolerate any form of workplace



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harassment, sexist conduct or workplace violence.

ArianeGroup strives to take any necessary measures to prevent and deal with acts of moral or sexual harassment, sexist conduct and workplace violence.

Since its creation, ArianeGroup SAS has set forth measures for management to deal with such situations. The aforementioned March 13, 2020 agreement has further strengthened these measures. It sets forth a comprehensive and unified approach aimed at preventing and dealing with situations of alleged harassment, sexist conduct and workplace violence, through a specific procedure. It also extends protection beyond victims or witnesses of harassment, to victims or witnesses of acts of violence or sexist acts.

To prevent such situations, ArianeGroup SAS provides employees with tools that inform them about and raise awareness of the measures that the company has put into place.

In addition, as part of the French Avenir Professionnel Law of September 5, 2018, and its implementation, ArianeGroup SAS and several Subsidiaries have appointed specialists in sexual harassment and sexist conduct. ArianeGroup has extended their duties to include moral harassment and workplace violence.

ArianeGroup SAS also made sure that the appointed specialists were people employees knew (site employees rather than people from the outside), and has committed to appoint two individuals per site. Employees who feel they have been victims can directly contact these on-site specialists. The contact persons' role is to listen, provide information and guidance. Employees were informed about these contact persons in a local communication campaign.

The designated contact persons and Human Resources personnel are regularly trained at ArianeGroup SAS on how to prevent and manage these specific situations. The company has organized similar internal training sessions for staff representatives who work as sexual harassment and sexist conduct contact persons for site CSEs.

(c) STRESS PREVENTION AT WORK

ArianeGroup pays particular attention to the prevention of psychosocial risks (PSR) and stress at work.

At the time of ArianeGroup's transformation and the entity's creation, the general management immediately set up workplace stress prevention initiatives to support employees through change and reduce any negative effects it could have.

At ArianeGroup, preventive measures are continually organized and deployed at three levels of prevention (primary, secondary and tertiary). The goal is to anticipate the company's reorganization and provide employee support through change. It also entails a targeted approach to address cases of individual or collective stress.

ArianeGroup has established:

- An assessment approach to stress risks associated with change. This entails improved anticipation and awareness of how change impacts people: employment, working conditions, reorganization, restructuring, moves, etc. During the preparatory phase of a project, ArianeGroup will conduct a human impact study, i.e., an assessment of the project's consequences on people.
- A process for detecting and assessing collective stress, rolled out regularly in several stages at each site:
 - a preliminary diagnosis, based on medical and social indicators, is conducted to identify psychosocial risk factors that may exist in the site's different areas;
 - an in-depth diagnosis in an area or areas of potential risk to establish an action plan and thus reduce the identified risks.

Furthermore, in 2021, a company-wide survey of stress in the workplace was conducted to measure stress levels, to identify the most exposed populations, and to determine stress and protection factors. Survey results were shared with company employees, managers and employee representative bodies. As a result of the findings, the Executive Committee has decided to set forth a collective action plan to improve the quality of work life at the company. As part of the company's workplace stress prevention approach, said plan aims to reduce risk factors



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and to reinforce protection factors. Its implementation is twofold: at company level, and within departments and business areas. ArianeGroup has planned to reconduct the survey in 2022.

Finally, ArianeGroup has set up a process for dealing with stressful situations, which, depending on the needs of specific employees, involves people from inside or outside the company.

In addition, and in order to reinforce existing measures, specific initiatives have been rolled out at ArianeGroup SAS and ArianeGroup GmbH, according to their specific requirements.

In accordance with the 2020 agreement regarding quality of work life and prevention of psychosocial risks, ArianeGroup SAS has set forth a comprehensive and consistent program to prevent workplace stress.

To strengthen primary prevention and best anticipate risk factors, ArianeGroup has asked managers to establish a stress prevention action plan for their own business areas. Since 2019, managers have received training on team diagnosis processes and on how to establish action plans to prevent workplace stress. Every year, managers must update the action plans for their business sectors. HRBPs have also been trained on this process in order to provide further support. In addition, ArianeGroup SAS will roll out specific modules throughout the year to ensure training continuity for managers and HRBPs. For example, a module that focuses on preventing burnout in the workplace was rolled out at every site in 2021.

The company also conducts information and awareness campaigns to educate employees. Such campaigns help to remind employees that a psychological help line (toll-free number) is available 24/7, all year round. It is intended as a resource for those who feel the need to talk about their difficulties at home or at work, in a totally confidential setting.

ArianeGroup GmbH regularly conducts psychosocial risk assessment questionnaires. The company will subsequently organize specific workshops if necessary.

ArianeGroup has taken several initiatives to promote quality of work life and, in particular, to strike the right work/life balance:

- the publication of a Charter on the right to a chosen connection and on the right to disconnect;
- remote working schemes at ArianeGroup SAS and ArianeGroup GmbH.

(d) PROTECTION OF PRIVACY AND PERSONAL DATA

ArianeGroup respects and protects the privacy of individuals, and the rights of its employees, customers, suppliers and third parties.

DPOs, respectively in France for ArianeGroup Holding/SAS, and in Germany for ArianeGroup GmbH, advise and provide support regarding compliance of data protection regulations. They ensure the implementation of action plans that aim to prevent the infringement of rights of individuals, and to protect the privacy and personal data of said individuals.

The multi-year action plans focus on the following main areas:

- the implementation of GDPR data governance (European regulation no. 2016/679 or General Data Protection Regulation);
- reinforced training in risks and appropriate behavior as pertaining to personal data protection: training for highly exposed populations (HR, IT, assistants), deployment of a digital training module for all employees, internal training modules in the ArianeGroup training catalog;
- implementation of Privacy Impact Assessments;
- support for Purchasing procedures to ensure supplier compliance;
- a Privacy by Design approach for major projects that involve processing of personal data;

In 2021, ArianeGroup focused mainly on training and communication initiatives, internal audits according to a pre-established schedule, follow-ups of previous audits, and implementation of GDPR requirements in company processes and projects through a Privacy by Design and by Default approach.

The Subsidiaries focused on activity audits related to human resources, in accordance with



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a pre-established schedule; and the analysis of GDPR compliance in the preparatory phase of new projects, and in a Privacy by Design and by Default approach.

DPOs also played their part in managing the COVID-19 crisis both at ArianeGroup and the Subsidiaries. They determined specific prevention measures to help manage personal health information and the increased remote working rates of employees.

3.3.3. HEALTH, SAFETY AND ENVIRONMENT (HSE)

(a) HSE POLICY

HSE Policy is an official document that sets forth ArianeGroup's commitment to respecting laws and regulations, protecting human life and the environment, preventing pollution and safeguarding property.

The objectives of this policy are the following:

- develop standards based on anticipation and prevention in order to mitigate HSE-related risks for the benefit of ArianeGroup personnel and interested parties involved in its activities;
- guarantee the continuity of company activities by maintaining rigorous standards for the security of facilities, and by controlling environmental impacts;
- design, build, test, and deliver products and services that meet HSE requirements throughout their life cycle.

HSE Performance System

To implement this policy, ArianeGroup relies on its HSE Performance System, which was certified as an ISO 14001 equivalent in 2018 and has remained thus ever since.

The HSE Performance System, which contributes to managing HSE risks inherent to the ArianeGroup's business, is one of the components of the company's overall management system. It is based on three pillars: anticipation, operational control, and employee commitment.

Its main objectives are to ensure health and safety in the workplace, to manage technological risks and their environmental impact, to control

energy consumption and to set up an HSE performance optimization program.

The implementation of the performance system at ArianeGroup site level includes establishing an organizational structure, defining roles and responsibilities, applying procedures, reviewing and updating HSE policy, and continuous improvement of HSE performance. Lost time accidents are examined; remedial and preventive actions are undertaken by HSE and operational teams.

In 2021, as an incentive to keep up the low accident rate in 2020, the executive committee asked every employee to include an HSE-related goal into their individual objectives.

The achievement of such a target is a criterion to assess managerial performance and executive salaries.

In 2021, all ArianeGroup's French sites were audited for HSE performance. Due to hygiene precautions, audits at German sites were postponed to 2022.

The basic Performance System criteria have now been established. In the coming years, performance enhancement will include controlling the most critical risks for human safety, and achievement of sustainable performance.

WORKPLACE ACCIDENTS

The HSE Performance System has helped to sustainably maintain the reduction of the **rate of workplace accidents with work leave (TFAA*)** in 2021.

At end 2021, the rate was 2.42, a demonstration of sustainable results which makes ArianeGroup one of the leading companies in the aeronautics construction and space industries.

The following figures confirm the reduction in the rate of workplace accidents with work leave: 33 in 2021 compared with 39 in 2020, 47 in 2019 and 50 in 2018.



TFAA over 12 months

* TFAA = the number of accidents with more than one day of work leave, within a 12-month period and per one million work hours.

HSE training

In 2021, employee health and safety remained priorities in the internal training plan.

HSE TRAINING

In 2021, 32,566 hours of HSE training were provided at ArianeGroup: 3,880 people trained.

(b) ENERGY POLICY

In order to limit its environmental impact, and yet guarantee optimal economic performance, ArianeGroup has adopted a new energy policy aligned with the company's Sustainability Commitments (D-0040), for the 2020-2024 time period.

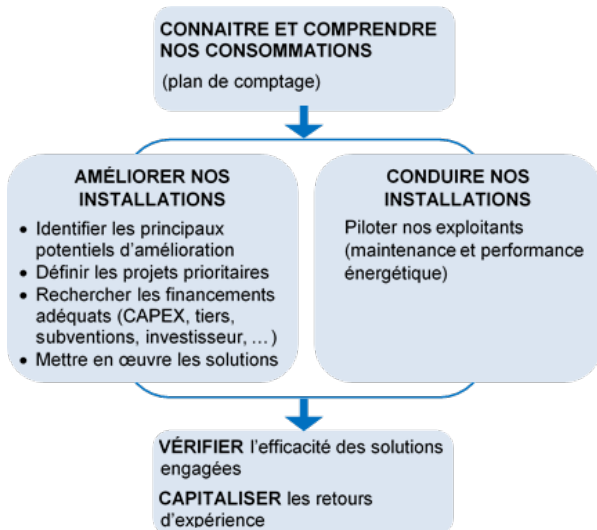
This energy policy is based on two pillars:

our energy performance system, as an integral part of the HSE Performance System;

- the deployment of renewable energies (biomass, photovoltaics, etc.) in a controlled economic context

These two pillars are based on a process and a team:

• A PROCESS



• A TEAM

Energy managers ensure oversight and consistency of measures with the active support of on-site teams: Facility Management, MAIT (Manufacturing, Assembly, Integration and Test), operating/maintenance teams, IT, etc.

With 2019 as a frame of reference, the policy's objectives for 2024 are the following:

- a 10% decrease in energy consumption on a like-for-like basis (correcting for climate conditions and production load variability);
- a twofold increase in production of renewable energies on company sites, to reach 30% rate of energy consumption at ArianeGroup by 2025;
- a 13% reduction in greenhouse gas emissions due to energy consumption on sites.

In 2021, a series of measures were put into place:

- roll out of an energy-monitoring software program to better monitor and manage ArianeGroup's facilities. The program was approved for an initial site in 2020. It will be rolled out to all sites in 2022;
- deployment of HSE Performance System energy audits (consumption analyses, action plans, improvement measures, continuous improvement), which, for example, would require the approval of an Energy Manager for any new equipment or installation that produces over 50 kW;
- continued improvement of technical equipment (replacement of cold generators and boiler burners, repair of leaks in compressed air networks, installation of electricity meters, etc.).

In 2021, an energy reduction target became a criterion in the evaluation of executive salaries.

ENERGY CONSUMPTION

The result of the first energy policy (2017/2020): At the end of 2020, results show 10.4% savings compared to frame of reference year 2017 (on a like-for-like basis). The target was 10%.

At the end of 2021, the reduction in energy consumption was estimated at -2%, in comparison to the frame of reference year (on a like-for-like basis). These results are consistent with the 2021-2024 policy.

CARBON FOOTPRINT

In 2021, for the first time, ArianeGroup calculated its carbon footprint for its activities in France and in Germany (not including subsidiaries), based on 2019 as a frame of reference (no impact from COVID). This analysis takes the following elements into consideration:

- Scope 1: direct emissions due to combustion from gas, biomass, heating oil, and off-road and road fuels;
- Scope 2: indirect emissions from electricity consumption;
- Scope 3: indirect emissions in the value chain. It includes emissions from sources shown in the infographic below.

The methodology quality and its compliance with the Greenhouse Gas Protocol were approved by a sustainability consultancy.

The carbon footprint analysis resulted in 433,407 tons CO₂ equivalent for 2019. This corresponds to about 150 grams CO₂ equivalent per € in turnover. This ratio is two to three times lower than in the construction industry and three to four times lower than in the road transport industry (ADEME monetary emission factors used in Scope 3 emission estimates, <https://www.bilans-ges.ademe.fr>).

According to the analysis, emissions are mainly due to the purchasing of goods and services: over 67% of total emissions (291,592 tons CO₂ eq.).

In 2022, ArianeGroup made a commitment to work on a climate action roadmap in order to reduce the carbon footprint of its business activities.

4. SUPPLIERS AND SUBCONTRACTORS

ArianeGroup is determined to implement the highest standards of responsibility and integrity, and it strives to work with partners who share the same values.

Since its foundation, and as part of its Code of Ethics, the Group has been committed to a responsible purchasing approach in cooperation with its procurement department.

4.1. RISK MAPPING AND PROCEDURES FOR REGULAR ASSESSMENT

Our procurement, ethics and compliance, and CSR teams have developed a methodology and a Case Management System (CMS) for mapping risks inherent to the activities of subcontractors and suppliers. The process is designed to associate a level of risk with business activities and their impact on society and their stakeholders.

The first step to establish a risk map is to assess a supplier's overall risk level according to a combination of its risk impact scores and the probability of each respective risk.

Risk probability: to begin with, external risks are taken into account, such as the country the supplier operates in, and its business activities (based on the supplier NACE classification system). ArianeGroup uses an index developed by Swiss company GRP (Global Risk Profile). It has been designed to meet legal CSR and duty of vigilance requirements (ESG index – Environment, Social, Governance). The index was developed by using various official and/or renowned sources and additional indexes in relevant fields. Its overall score takes into account the three areas set forth in French law with regards to duty of vigilance.

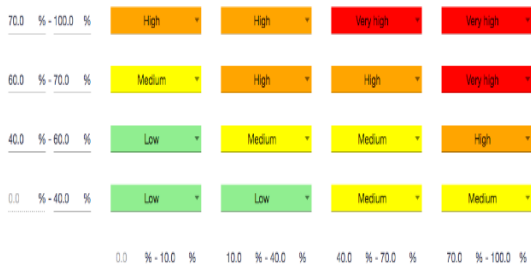
The ESG index can be broken down into three sub-indexes:

measurement of environmental risks;

- measurement of risks that violate human rights and fundamental freedoms;
- measurement of risks related to employee health and safety.

Impact: in addition to the probability score, the impact score adjusts the supplier's risk level according to its criticality vis-à-vis ArianeGroup's business activities. Impact is calculated according to certain supplier characteristics, and the supplier's relationship with ArianeGroup, in particular supplier size, strategic role, purchase volume, and frequency of transactions.

The cross tabulation of these two values (third party probability score and third-party impact score) determines the third party's risk category on a four-level scale, which is consistent with the ERM risk assessment procedure.



Risk chart for ArianeGroup suppliers

After this first mapping process, suppliers with high or very high-risk scores, undergo further analyses or are subject to a risk mitigation procedure.

Suppliers with low or medium risk scores are approved but nevertheless undergo regular assessments.

In 2020, the entire supplier base, more than 5,700 suppliers, was mapped for the first time. 91% of suppliers have a low to medium risk score. This is mainly due to the suppliers themselves, and in particular to where they are located: 86% are in France or Germany, countries in which regulatory compliance makes it easier to enforce duty of vigilance requirements.

In 2021, suppliers with high-risk scores (around 9%) and very high-risk scores (a single supplier), underwent a second analysis phase, or screening, according to their country of origin (outside Europe), procurement classification, volume of orders and spend volume.

This screening phase entails examining each supplier's risk profile in order to mitigate risk factors. Screening reports for high and very high-risk suppliers will be analyzed by CSR team specialists in order to designate suppliers who require further risk mitigation measures.

These measures include:

- an Integrity Letter, geared to large corporations, that serves as a reminder of our principles, and that is in keeping with measures that said corporations have implemented;
- a reminder of the mandatory nature of our Supplier Code of Ethics.

In 2021, the additional following measures were put into place:

- risk assessment and ESG results included in supplier risk scores; These results, in addition to other criteria, are taken into

consideration to identify and classify suppliers in risk monitoring programs;

- update of the BUY procurement process in order to integrate risk mapping and analysis procedures when selecting and managing suppliers;
- procurement managers will use the CMS to monitor supplier risk and manage associated action plans.

In addition, ArianeGroup participates in a new ESA-sponsored work group, which aims to create a European Supplier Code of Ethics for the space industry. It will include industry companies that share similar practices (assessments, audits, questionnaires, scoring).

The new methodology was presented to Subsidiary compliance managers. Based on this framework and in collaboration with their purchasing departments, Subsidiaries are working on their own supplier and subcontractor risk maps and risk mitigation measures.

4.2. ACTIONS TO MITIGATE RISKS OR PREVENT SERIOUS INFRINGEMENTS

The principles in the ArianeGroup Code of Ethics are included in the Supplier Code of Ethics, which sets forth contractual relations between ArianeGroup and its subcontractors and suppliers.

In 2020, ArianeGroup published its updated Supplier Code of Ethics to clarify sections that deal with human rights, HSE, incident reporting, eco-efficiency and responsible sourcing, which includes duty of vigilance requirements for the supply chain. This update particularly emphasizes ArianeGroup's expectations regarding the implementation of its Code of Ethics by its suppliers, and the consequences of infringements.

Updated to include environment-related requirements, the Supplier Code of Ethics is included in the company's General Purchasing Conditions (GPC), and in ArianeGroup supplier and subcontractor contracts and order forms.

All ArianeGroup Subsidiaries provide their own suppliers with the Supplier Code of Ethics and adapt it according to specific supplier purchasing processes.

The commitment of ArianeGroup's subcontractors and suppliers to observe the principles set forth in the Code and to ensure its compliance in their own supply chain is an integral part of ArianeGroup's Responsible

Purchasing action plan. The plan aims to promote and enforce good practices relating to human rights, ethics, health, safety and the environment.

Based on the 2020 risk map, the plan content was updated to include the Integrity Letter and information on the Code's binding nature. As the 2021 risk map did not detect major issues, no suppliers required targeted corrective action plans.

Consequently, the Supplier Code of Ethics increasingly focuses on prevention and management of supplier risks, to the same degree as the other types of risks (finance, dependency, quality, shipping, single source, etc.). Risk monitoring is conducted by the same bodies, who provide an overall report to the Executive Committee.

An oversight committee for Responsible Purchasing was set up to coordinate relevant tasks. It organizes sessions to raise awareness about sustainability among procurement department employees.

5. INCIDENT REPORTING

ArianeGroup encourages transparency, trust and respect in its daily operations and its ways of working in order to develop a culture of dialogue, which is essential to incident reporting. ArianeGroup is committed to combating any form of retaliation against employees who report incidents, as set forth in the company's Code of Ethics.

Employees, as well as occasional and external service providers, are encouraged to report any situation or behavior that does not comply with the company's Code of Ethics, to their usual contact person, line manager, or member of the human resources, ethics & compliance department, or legal department. In turn, these individuals must do their part to provide support and promptly process the report.

Furthermore, employees can seek recourse against discrimination as set forth in company regulations.

In addition to internal procedures, and in accordance with legal requirements, ArianeGroup has set up a professional reporting system so that employees and third parties can report situations that pertain to duty of vigilance. An online platform, under the supervision of the Group Ethics and Compliance Officer, enables the reporting and processing of incidents to be

strictly confidential. The platform URL is available on the ArianeGroup website.

6. MONITORING SYSTEM

To monitor currently implemented measures, operational teams do the following:

- establish action plans and monitoring indicators according to yearly company goals;
- prepare half-year risk management reviews (ERM);
- seek improvement opportunities and implement necessary process adaptations, based on results from internal audits, certification audits, or audits conducted by authorized public authorities, customers or shareholders.

This report examines any progress made in duty of vigilance issues. It is reviewed by the ArianeGroup Executive Committee, validated by the General Secretary and submitted for approval to the Board of Directors.

GLOSSARY

Terms and acronyms whose first letters are capitalized in this report are defined below:

ArianeGroup: refers to ArianeGroup Holding (head company) and its first-rank subsidiaries ArianeGroup SAS and ArianeGroup GmbH

Group: refers to ArianeGroup Holding and its direct or indirect subsidiaries

Executive Committee: refers to the ArianeGroup steering committee

Board of Directors: refers to the ArianeGroup Holding Board of Directors

Subsidiaries: refers to the controlled companies in section II of article L. 233-16 of the Commerce Code, listed in the appendix.

APPENDIX - GROUP BUSINESS ACTIVITIES



ArianeGroup Holding (SAS) (France)

ArianeGroup SAS (France)

ArianeGroup GmbH (Allemagne)

Conception, développement, fabrication et commercialisation de lanceurs, d'infrastructures au sol, de systèmes de commande, de systèmes de propulsion, de propulsion de satellites et de véhicules spatiaux ou de sous-éléments de lanceurs associés, de l'équipement et des produits pour application civile et militaire.

FILIALES FRANCE

Arianespace (73,7%)

Incluant deux filiales de représentation:
Arianespace Inc. (États-Unis)
Arianespace Singapore Pte Ltd (Singapour)

Services et solutions de lancement spatiaux pour tout type de satellite vers toutes les orbites (Ariane, Vega, Soyuz)

Nuclétudes (99,9%)

Protection des systèmes spatiaux et stratégiques

MaiaSpace (100%) Conception d'un lanceur civil semi-réutilisable, commercialisation des services de lancements spatiaux associés (*création fin décembre 2021 – commencement d'activité 2022*)

Pyroalliance (90%)

Équipements pyrotechniques et mécaniques de haute fiabilité

Sodern (90%)

Systèmes et équipements optiques, optroniques et neutroniques

Cilas (63%)

Systèmes optroniques et lasers civils et militaires, optique spatiale de précision

FILIALES À L'ÉTRANGER

APP (100%) (Pays-Bas)

Allumeurs et générateurs de gaz pour le spatial et l'industrie

SME-CQ, Ltd (75,5%) (Chine)

Pastilles à génération de gaz pour sécurité automobile (Airbags)

Eurockot (51%) (Allemagne)

Lancement en orbite basse de satellites (Rockot)