RISKS RELATING TO CLIMATE CHANGE

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

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

Safran has identified two types of risk:

- physical risks (see section 5.5.3.9) resulting from damage caused directly by extreme weather and climate events, which could cause damage to the Group's facilities and endanger the safety of its employees. The exposure of Safran's sites and their value chains to these risks is largely dependent on their geographic location. The frequency and intensity of climate events, aggravated by the rise in global temperatures, are taken into account when deciding where to locate Safran's activities;
- transition risks stemming from economic, regulatory, labor and social changes in relation to the fight against climate change. This could include new taxes, regulatory measures to reduce the use of air transport, loss of market share or loss of attractiveness of the industry for investors or of Safran if more competitive products for decarbonization are developed by competitors.

These risks are described in section 4.3.1.6.

The challenges relating to climate change may also present opportunities for the Group, especially through the development of innovative products that improve the energy efficiency of aircraft and the energy consumption of our industrial processes.

Policies and procedures	Indicators	2018	2020	2021	2022	Year-on-year change
Strategy and action plan to combat climate change (see section 5.3)	Emissions in metric tons of CO_2 equivalent:					
	■ Scope 1[1][7]	219,790	149,077	177,317[2]	177,299	-1.3%
	■ Scope 2 (location based)[1]	383,186	277,640	244,466[2]	264,420	+8.2%
	■ Scope 2 (market based)[1][6]	358,887	253,762[3]	225,796[2]	226,431	+0.3%
	■ Scope 3[1]:					
	• product use	123,400,000[5]	61,300,000[5]	52,300,000[5]	56,100,000	+7.3%
	• purchased goods and services	4,961,000	3,146,000	2,735,000	4,392,000[4]	+61%
	• freight	264,700	172,100	183,200	267,400[4]	+46%
	• business travel	68,450	21,150	16,100	28,100	+75%
	• employee commuting[8]	118,600	102,100	97,100	103,600	+6.7%
	Upstream emissions related to energy consumption	118,591	87,079	89,785	97,500	+8.6%
	Emissions related to waste treatment	21,000	14,000	14,200	14,700	+3.8%

(1) Indicator definitions and methodologies are described in section 5.7.4.
(2) 2021 emissions figures, which included estimated data for fourth-quarter 2021, were revised in 2022 to reflect the actual data.
(3) Scope 2 market-based emissions data for 2020 were estimated using market-based emission factors for 2018.
(4) The increase in emissions in 2022 is partly attributable to the resumption of operations. The increase resulting from purchases of goods and services is also partly attributable to inflation, as greenhouse gas emissions are measured based on monetary emission factors.
(5) The 2018-2021 values have been revised to incorporate the upward trajectory of sustainable aviation fuel incorporation.
(6) Scope 2 market-based values were reported for the first time in the 2021 Universal Registration Document and were fine-tuned in this document, notably to take into account the emission factors of Safran's suppliers.
(7) Direct emissions from biogas are included in the Scope 1 calculation.
(8) The method of calculating emissions related to commuting was improved in 2022 to take into account absenteeism.