

AEROSYSTEMS

How Understanding & Managing Our Culture is Enabling Our Ambitious Transformation Plan

Sebastien Weber
CEO Safran Aerosystems



Safran Aerosystem In a Nutshell – One of the Nine Tier One Companies within Safran Group

5,000
employees

located over

22
sites

in

7
countries

generating

>1 bn €
Revenue for 2022

57% in France
30% in the Americas
13% RoW



Background and Context

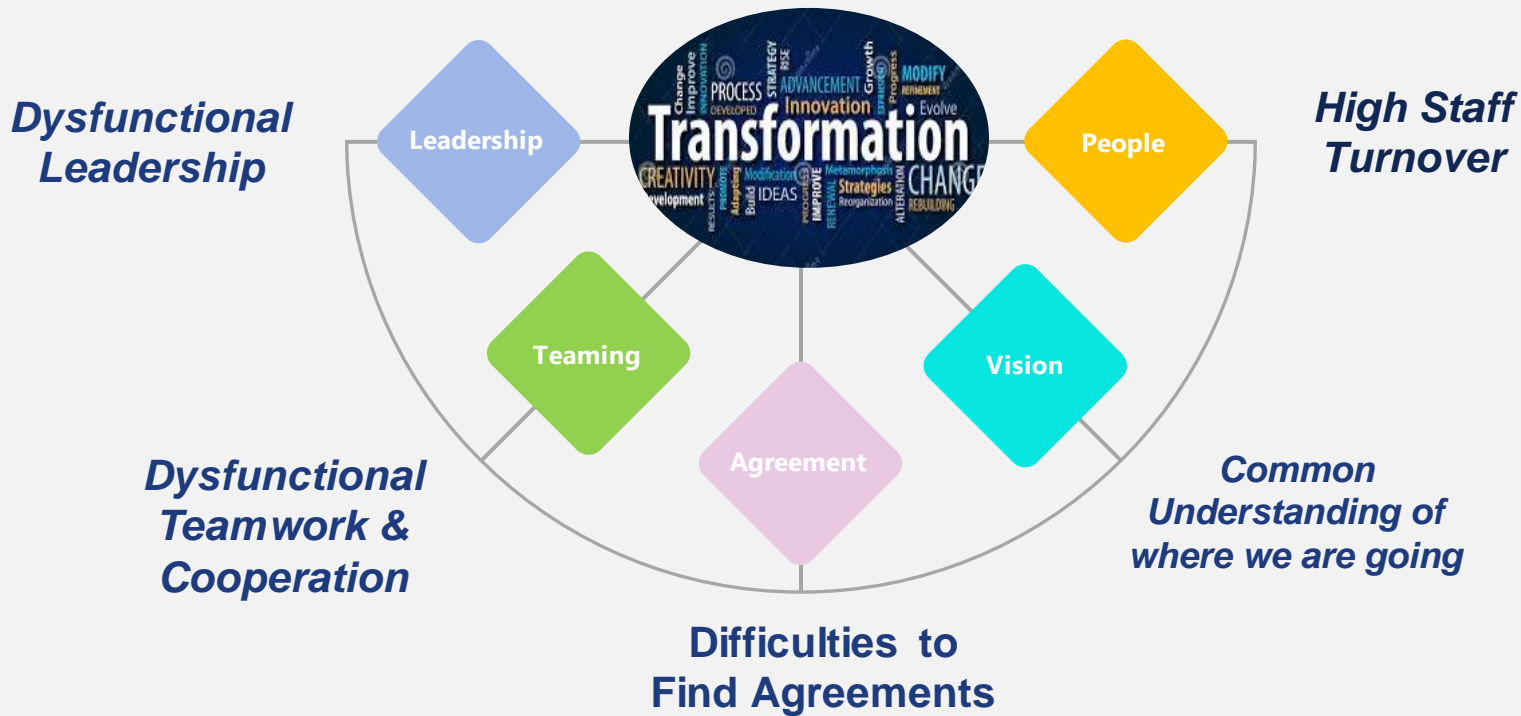
BACKGROUND

- A scope of Business formerly part of Zodiac Aerospace and acquired by Safran in 2018
- An Integration with Safran that led to a scope reduction as some businesses were moved to various other Safran companies
- Two Operational Divisions with different profitability profiles
- An Operational Performance on many French based businesses not up to standard
- Operational Centers split between France and the US
- A Customer Support Organization organized as a separate Business Unit
- The Covid-19 pandemic deeply affected the profitability of many of our businesses with large lay offs in the US and lengthy furlough periods in France

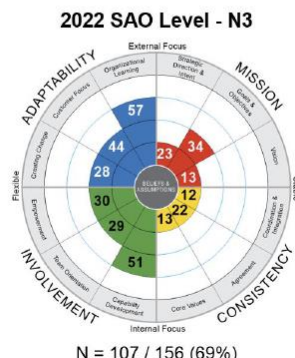
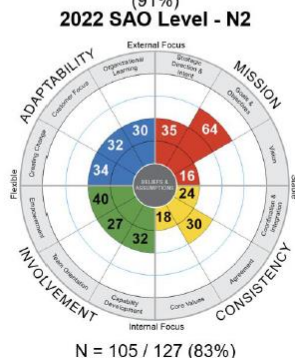
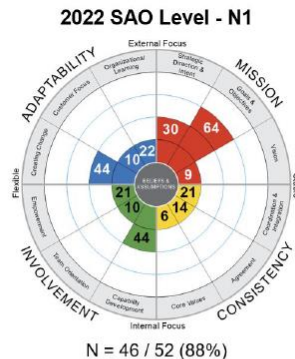
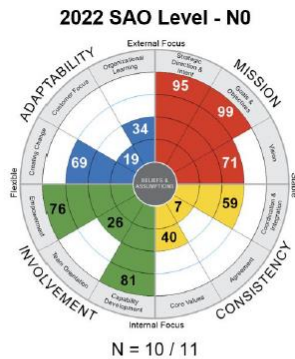
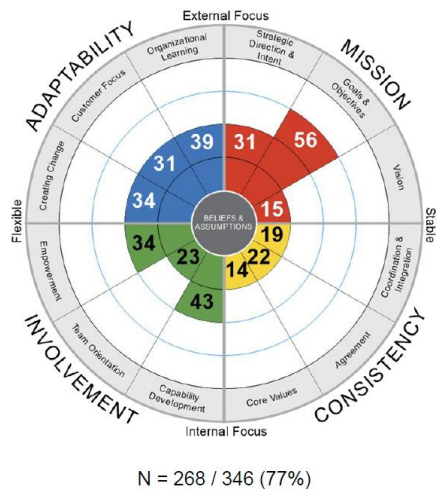
CONTEXT of the SURVEY

- Several new Executive Team Members
- An Ambitious Transformational Plan
 - Integrate our Aftermarket Organization as a Cost Center
 - Align our Organization with Safran's way of Working
 - Merger of all of our French entities into a single Legal Entity
 - Transformation of one of our Division to restore Operational and Economical Performance
 - Implementation of a New Information System
- Numerous Corporate Initiatives being flown down
- A Significant Retention Problem

Several Dysfunctions Led us to conduct the Denison Survey to gain a Reference Point and Identify Improvement Opportunities



Our Results (1/2) – Unexpected....But a Reflection of our Weaknesses



1

Results that are consistently low vs the Benchmark and a reflection of our dysfunctions

2

A clear Gap between the Leadership Team and the Level below

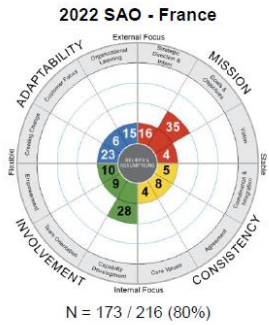
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Organizational strengths in executing towards our goals with a positive heritage in our entrepreneurial and innovation spirit

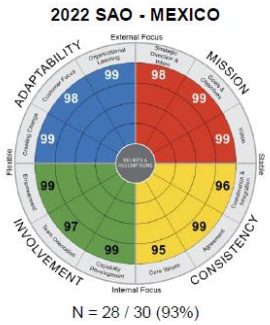
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Weaknesses in our consistency as a result of lack of Values, ability to gain Agreement and overall Coordination / Team Orientation

Our Results (2/2) – Context, Local Culture and Leadership Behavior / Stability are reflected in Geographical Results



Responses per Division	N
MEXICO - SAO-DASY	10
MEXICO - SAO-DBAO	18



Responses per Division	N
Singapore - SAO-DSRV	7



Responses per Division	N
UK - SAO-DSRV	7



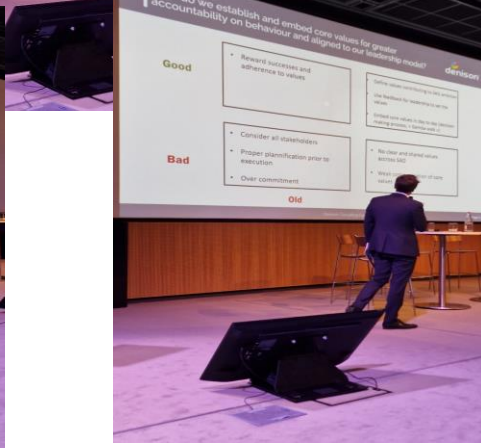
Responses per Division	N
USA - SAO-DASY	30
USA - SAO-DBAO	1
USA - SAO-DSRV	12



Our Journey to Building a Performing Organization



Creating space for a new Dialogue



TAKEAWAYS

- **The Denison Survey gave us Solid reference Point on Where we are in our Cultural Journey**
- **Be Ready to Receive and Accept Difficult Feedback**
- **Be Ready to share Openly the Results and Commit to Change**
- **It was an Eye Opener that provided clear Areas of Focus to build our Culture**
- **Senior Leadership Behavior and Teaming is Key to Build a strong Culture and a High Performing Organization**



THANK YOU

