

4.1 Management and Control

The corporate governance arrangements of the Company were substantially changed pursuant to the Multiparty Agreement, including changes in the composition of the Board of Directors and the rules governing its internal affairs (the “**Board Rules**”). These changes are intended to further normalise and simplify

the Company’s corporate governance, reflecting an emphasis on best corporate governance practices and the absence of a controlling shareholder group. Below is a summary description of such changes.

4.1.1 Corporate Governance Arrangements

4.1.1.1 Board of Directors

a) Composition Rules and Principles

Under the Articles of Association, the Board of Directors consists of at most 12 Directors. Under the Board Rules, each Board Director shall retire at the close of the AGM held three years following his or her appointment, unless the said mandate is renewed. Under the Board Rules, at least a majority of the Members of the Board of Directors (*i.e.*, 7/12) must be European Union (“EU”) nationals (including the Chairman of the Board of Directors) and a majority of such majority (*i.e.*, 4/7) must be both EU nationals and residents. No Director may be an active civil servant. The Board of Directors has one Executive Director and 11 Non-Executive Directors. While the Board of Directors appoints the Chief Executive Officer of the Company (the “**CEO**”), the CEO is required to be an Executive Director and must be an EU national and resident; therefore it is anticipated that the Board of Directors will appoint as CEO the person appointed by the shareholders as an Executive Director. At least nine of the Non-Executive Directors must be “Independent Directors” (including the Chairman of the Board of Directors).

Under the Board Rules, an “Independent Director” is a non-Executive Director who is independent within the meaning of the Dutch Corporate Governance Code (the “**Dutch Code**”) and meets additional independence standards. Specifically, where the Dutch Code would determine non-independence, in part, by reference to a Director’s relationships with shareholders who own at least 10% of the Company, the Board Rules determine such Director’s non-independence, in relevant part, by reference to such Director’s relationships with shareholders who own at least 5% of the Company. According to the criteria of the Dutch Code and the Board Rules, all non-Executive Directors (including the Chairman) presently qualify as an “Independent Director”.

The Remuneration, Nomination and Governance Committee of the Board of Directors (the “**RNGC**”) is charged with recommending to the Board of Directors the names of candidates to succeed active Board Members after consultation with the Chairman of the Board of Directors and the CEO.

The Board of Directors, deciding by simple majority vote, proposes individuals to the shareholders’ meeting of the Company for appointment as Directors by the shareholders’ meeting. No shareholder or group of shareholders, or any other entity, has the right to propose, nominate or appoint any Directors other than the rights available to all shareholders under Dutch law.

In addition to the membership and composition rules described above, the RNGC, in recommending candidates for the Board of Directors, and the Board of Directors in its resolutions proposed to the shareholders’ meeting regarding proposals to appoint or replace a resigning or incapacitated Director, are both required to apply the following principles:

- the preference for the best candidate for the position;
- the preference for gender diversity between equal profiles;
- the maintenance of appropriate skills mix and geographical experience;
- the maintenance, in respect of the number of Members of the Board of Directors, of the observed balance among the nationalities of the candidates in respect of the location of the main industrial centres of Airbus (in particular among the nationals of the four Member States of the EU where these main industrial centres are located); and
- at least a majority of the members of the Board of Directors (*i.e.*, 7/12) shall be EU nationals (including the Chairman), and a majority of such majority (*i.e.*, 4/7) shall be both EU nationals and residents.

In accordance with these principles the Board of Directors shall seek greater diversity with respect to gender, age, geography, education, profession and background.

In 2017, one new member joined the Board of Directors, Lord Drayson. He has the competencies and personal skills to fulfil this position in line with the Board’s expectations and the evolution of the business within the Company. As an engineer and entrepreneur, he brings amongst other qualities the right expertise for our innovation focus and digital journey. Following the replacement of Mr. Mittal by Lord Drayson, the Company will strive to find a new Board Member with an Asian profile.

At the end of 2017 half of the Members of the Board of Directors were under the age of 60. The proportion of female representation is today at 25% against 0% five years ago. The Board composition shows a balanced mix of experience with, for example, four Members having Defence industry skills, six having geopolitical or economics skills or four having information or data management skills. More details as to the diversity of the Board of Directors Members are available in the table shown below.

The Board of Directors is required to take into account, in the resolutions proposed in respect of the nomination of Directors presented to the shareholders' meeting, the undertakings of the Company to the French State pursuant to the amendment to the French State Security Agreement and to the German State pursuant to the German State Security Agreement, in each case as described more fully in "3.3.2.3 — Undertakings with Respect to Certain Interests of Certain Stakeholders". In practice, this means that (i) two of the Directors submitted to the shareholders for appointment should also be French Defence Outside Directors (as defined above) of the French Defence Holding Company (as defined above) who have been proposed by the Company and consented to by the French State and (ii) two of the Directors submitted to the shareholders for appointment should also be German Defence Outside Directors (as defined above) of the German Defence Holding Company (as defined above) who have been proposed by the Company and consented to by the German State.

The RNGC endeavours to avoid a complete replacement of outgoing Directors by new candidates and draws up an appointment and reappointment schedule for the Directors after consultation with the Chairman and the CEO. In drawing up such schedule, the RNGC considers the continuity of company-specific knowledge and experience within the Board of Directors while it takes into account that a Director should at the time of his appointment or re-appointment not be older than 75 years and ensuring that at least one third of Directors' positions are either renewed or replaced every year for a term of three years. This is to avoid large block replacements of Directors at one single AGM, with the corresponding loss of experience and integration challenges, provided that exceptions to these rules may be agreed by the Board of Directors if specific circumstances provide an appropriate justification for such exceptions.

b) Role of the Board of Directors

Most Board of Directors' decisions can be made by a simple majority of the votes of the Directors (a "**Simple Majority**"), but certain decisions must be made by a 2/3 majority (*i.e.* eight favourable votes) of the Directors regardless of whether present or represented in respect of the decision (a "**Qualified Majority**"). In addition, amendments to certain provisions of the Board Rules require the unanimous approval of the Board of Directors, with no more than one Director not being present or represented (including provisions relating to nationality and residence requirements with respect to Members of the Board of Directors and the Executive Committee). However, no individual Director or class of Directors has a veto right with respect to any Board of Directors' decisions.

The Board Rules specify that in addition to the Board of Directors' responsibilities under applicable law and the Articles of Association, the Board of Directors is responsible for certain enumerated categories of decisions. Under the Articles of Association, the Board of Directors is responsible for the management of the Company. Under the Board Rules, the Board of Directors delegates the execution of the strategy as approved by the Board of Directors and the day-to-day management of the Company to the CEO, who, supported by the Executive Committee, makes decisions with respect to the management of the Company. However, the CEO should not enter into transactions that form part of the key responsibilities of the Board of Directors unless these transactions have been approved by the Board of Directors.

Matters that require Board of Directors' approval include among others, the following items (by Simple Majority unless otherwise noted):

- approving any change in the nature and scope of the business of the Company and Airbus;
- debating and approving the overall strategy and the strategic plan of Airbus;
- approving the operational business plan of Airbus (the "Business Plan") and the yearly budget of Airbus ("Yearly Budget"), including the plans for Investment, R&D, Employment, Finance and, as far as applicable, major programmes;
- nominating, suspending or revoking the Chairman of the Board of Directors and the CEO (Qualified Majority);
- approving of all of the Members of the Executive Committee as proposed by the CEO and their service contracts and other contractual matters in relation to the Executive Committee and deciding upon the appointment and removal of the Secretary to the Board of Directors on the basis of the recommendation of the RNGC;
- approving the relocation of the headquarters of the principal companies of Airbus and of the operational headquarters of the Company (Qualified Majority);
- approving decisions in connection with the location of new industrial sites material to Airbus as a whole or the change of the location of existing activities that are material to Airbus;
- approving decisions to invest and initiate programmes financed by Airbus, acquisition, divestment or sale decisions, in each case for an amount in excess of €300 million;
- approving decisions to invest and initiate programmes financed by Airbus, acquisition, divestment or sale decisions, in each case for an amount in excess of €800 million (Qualified Majority);
- approving decisions to enter into and terminate strategic alliances at the level of the Company or at the level of one of its principal subsidiaries (Qualified Majority);
- approving matters of shareholder policy, major actions or major announcements to the capital markets; and
- approving decisions in respect of other measures and business of fundamental significance for Airbus or which involves an abnormal level of risk.

Corporate Governance

4.1 Management and Control

The Board of Directors must have a certain number of Directors present or represented at a meeting to take action. This quorum requirement depends on the action to be taken. For the Board of Directors to make a decision on a Simple Majority matter, a majority of the Directors must be present or represented. For the Board of Directors to make a decision on a Qualified Majority matter, at least ten of the Directors must be present or represented. If the Board of Directors cannot act on a Qualified Majority Matter because this quorum is not satisfied, the quorum would decrease to eight of the Directors at a new duly called meeting.

In addition, the Board Rules detail the rights and duties of the Members of the Board of Directors and sets out the core principles which each and every Member of the Board of Directors shall comply and shall be bound by, such as acting in the best interest of the Company and its stakeholders, devoting necessary time and attention to the carrying out of their duties and avoiding any and all conflicts of interest.

c) The Board of Directors in 2017

(i) Composition of the Board of Directors in 2017

AIRBUS SE BOARD OF DIRECTORS

Name	Age	Since	Current term expires	Director expertise	Status	Primary occupation & Other mandates	Board attendance	Committee membership		
								Audit	RNGC	ECC**
Denis RANQUE	66	2013, last re-election in 2017	2020		I	Chairman of the Board of Directors of Airbus SE	9/9			10/10
Thomas ENDERS	59	2012, last re-election in 2016	2019		E	Chief Executive Officer of Airbus SE	9/9			3/5
Ralph D. CROSBY, JR.	70	2013, last re-election in 2017	2020		I	Member of the Board of Directors of American Electric Power Corp.	9/9	3/4		
Lord DRAYSON (Paul)	57	2017	2020		I	Co-Founder, Chairman and CEO of Drayson Technologies Ltd	7/7 (from AGM 2017)		7/7	
Catherine GUILLOUARD	53	2016	2019		I	Chief Executive Officer of RATP	8/9	4/6		5/7
Hans-Peter KEITEL	70	2013, re-election in 2016	2018		I	Former CEO of HOCHTIEF AG	7/9		8/9	
Hermann-Josef LAMBERTI	62	2007, last re-election in 2017	2020		I	Former Member of the Management Board of Deutsche Bank AG	8/9	6/6		7/10
Amparo MORALEDA*	53	2015, re-election in 2018	2018		I	Member of the Board of Directors of Solvay, CaixaBank and Vodafone	9/9	2/2	7/7	7/7
Claudia NEMAT	49	2016	2019		I	Member of the Board of Management of Deutsche Telekom AG	8/9	5/6		
Sir John PARKER	75	2007, last re-election in 2016	2018		I	Chairman of Anglo American PLC	7/9		9/9	9/10
Carlos TAVARES	59	2016	2019		I	Chairman of the Managing Board of Peugeot SA	7/9			
Jean-Claude TRICHET	75	2012, last re-election in 2016	2018		I	Honorary Governor of Banque de France Former President of the European Central Bank	9/9		9/9	
							9 meetings 91% attendance rate	6 meetings 83% attendance rate	9 meetings 92% attendance rate	10 meetings 85% attendance rate

Status as of 14 February 2018.

* To be re-elected in 2018.

** Ethics & Compliance Committee (ECC) replaced the temporary AdHoc Committee in July 2017.

The professional address of all Members of the Board of Directors for any matter relating to Airbus SE is Mendelweg 30, 2333 CS Leiden, The Netherlands.

Chairman I: Independent E: Executive



The Company has not appointed observers to the Board of Directors. Pursuant to applicable Dutch law, the employees are not entitled to elect a Director. There is no minimum number of shares that must be held by a Director.

(ii) Curriculum Vitae and other Mandates and Duties Performed in any Company by the Members of the Board of Directors in 2017

Denis Ranque	
<div style="text-align: center;">  </div> <p>66 years old</p> <p>Director since 2013, re-elected in 2017</p> <p>Independent</p> 	<p>Curriculum Vitae</p> <p>Denis Ranque began his career at the French Ministry for Industry, where he held various positions in the energy sector, before joining the Thomson group in 1983 as Planning Director. The following year, he moved to the electron tubes division, first as Director of space business, then, from 1986, as Director of the division's microwave tubes department. Two years later, the electron tubes division became the affiliate Thomson Tubes Electroniques, and Denis Ranque took over as Chief Executive of this subsidiary in 1989. In April 1992, he was appointed Chairman and CEO of Thomson Sintra Activités Sous-marines. Four years later, he became CEO of Thomson Marconi Sonar, the sonar systems joint venture set up by Thomson-CSF and GEC-Marconi. In January 1998, Denis Ranque was appointed Chairman and Chief Executive Officer of the Thomson-CSF group, now called Thales. He resigned from this position in May 2009, as a consequence of a change in shareholding. From February 2010 to June 2012 he has been Non-Executive Chairman of Technicolor. Since October 2001, he has also been Chairman of the Board of the École des Mines ParisTech, and since September 2002, Chairman of the Cercle de l'Industrie, an association which unites France's biggest industrial companies; both mandates ended in June 2012. He is member of the Boards of directors of Saint-Gobain and CMA-CGM. From 2013 to 2017, he chaired The Haut Comité de Gouvernement d'Entreprise, the independent body put in place by the French Code of corporate governance for monitoring and encouraging progress in this field. From 2014 to 2017 he has also been co-Chairman of La Fabrique de l'industrie, a think tank dedicated to industry. Since 2014 he is the Chairman of the Fondation de l'École Polytechnique and a member of the French Academy for Technologies ("Académie des Technologies"). Denis Ranque, born 1952, is a graduate of France's École Polytechnique and the Corps des Mines.</p> <hr/> <p> Current Mandates:</p> <ul style="list-style-type: none"> - Chairman of the Board of Directors of Airbus SE; - Member of the Board of Directors of Saint Gobain; - Member of the Board of Directors of CMA-CGM; - President of the Board of Foundation de l'École Polytechnique. <p> Former mandates for the last five years:</p> <ul style="list-style-type: none"> - Member of the Board of Directors of Scilab Enterprise SAS; - President of the French Haut Comité de Gouvernement d'Entreprise; - Co-Chairman of the Board of Directors of La Fabrique de l'industrie.

Ralph Dozier Crosby, JR.

70 years old

*Director since 2013,
Re-elected in 2017*

Independent

**Curriculum Vitae**

Ralph Crosby was Member of the Executive Committee of EADS from 2009-2012 and served as Chairman and CEO of EADS North America from 2002-2009. He presently serves as an Independent Director of American Electric Power headquartered in Columbus, Ohio, where he chairs the Human Resources Committee and Serco, headquartered in London, United Kingdom. Furthermore, Mr Crosby serves on the Board of Directors, and Executive Committee of the Atlantic Council of the United States. Prior to joining EADS, Mr Crosby was an Executive with Northrop Grumman Corporation, where he had served as a Member of the Corporate Policy Council with positions including President of the Integrated Systems Sector, Corporate Vice President and General Manager of the company's Commercial Aircraft Division and Corporate Vice President and General Manager of the B-2 Division. Prior to his industry career, Mr Crosby served as an officer in the U.S. Army, where his last military assignment was as military staff assistant to the Vice President of the United States. Mr Crosby is a graduate of the US Military Academy at West Point, and holds Master's degrees from Harvard University, and the University of Geneva, Switzerland. He is the recipient of the James Forrestal Award from the National Defense Industrial Association, and has been awarded Chevalier of the Legion d'Honneur of France.

**Current Mandates:**

- Member of the Board of Directors of Airbus SE;
- Member of the Board of Directors (Supervisory Board) of American Electric Power Corporation;
- Member of the Board of Directors and of the Executive Committee of the Atlantic Council of the United States.

**Former mandates for the last five years:**

- Member of the Board of Directors (Supervisory Board) of Ducommun Corporation(resigned June 2013);
- Member of the Board of Directors (Supervisory Board) of Serco Group plc (until June 2017).

(Paul) Lord Drayson*57 years old**Director since 2017**Independent***Curriculum Vitae**

Lord Drayson graduated as an engineer and finished his PhD in 1985 at Aston University. In 1987 he became Managing Director of The Lambourn Food Company Limited, a subsidiary of the Trebor Group and, after a management buy-out of the Company in 1989, completed its sale to a third party in 1991. The same year, he founded Genisys Development Limited, a consultancy company for new products development and management. In 1993, he co-founded PowderJect Pharmaceuticals Plc and led its business as Chairman and CEO until it was sold to Chiron Corporation, a US company, in 2003. He co-founded Drayson Racing Technologies LLP in 2007 and, in 2014 he set up Drayson Technologies Ltd, an Internet of Things platform company of which he currently is the co-founder, Chairman and CEO.

Lord Drayson was also elected chairman of the U.K. BioIndustry Association in 2001 and was appointed to the House of Lords and a Member of the Science and Technology Committee of the House of Lords in 2004. He was then appointed Parliamentary under Secretary of State for Defence Procurement in 2005 and became Minister of State for Defence Equipment & Support in 2006 and Minister of State for Science & Innovation in 2008.

**Current Mandates:**

- Member of the Board of Directors of Airbus SE;
- Chairman and CEO of Drayson Technologies Ltd;
- Science Entrepreneur in Residence of Magdalen College, Oxford;
- Supernumerary Fellow of St. John's College, Oxford;
- Member of Project of the "Oxfordshire Innovation Engine" Project;
- Member of Her Majesty's Privy Council;
- Member of House of Lords;
- Co-founder and Trustee of the Drayson Foundation.

**Former mandates for the last five years:**

- Scientific Advisor Formula E Championship (until January 2013);
- Co-founder and Managing Partner Drayson Racing Technologies LLP (until April 2014);
- President of the Motorsports Industry Association (until October 2015);
- Non-Executive Director and Board Member of the Royal Navy (until November 2017);
- Trustee and External Member of Council at University of Oxford (until December 2017);
- Chairman of the Executive Committee at OUC (Oxford University Clinic) Centres of Excellence LLP (until December 2017).

Thomas Enders



59 years old

Director since 2012,
last re-elected in 2016

Executive



Curriculum Vitae

Dr. Thomas ("Tom") Enders was appointed Chief Executive Officer (CEO) of Airbus SE, on 1 June 2012, after having been CEO of the Airbus Commercial Aircraft Division since 2007. Before that he served as Co-CEO of EADS between 2005 and 2007. He was Head of the Group's Defence Division from 2000 to 2005. He has been a member of the Executive Committee of Airbus since its creation in 2000.

Prior to joining the aerospace industry in 1991, Enders worked, inter alia, as a Member of the "Planungsstab" of the German Minister of Defence and in various Foreign Policy think tanks. He studied Economics, Political Science and History at the University of Bonn and at the University of California in Los Angeles.

In 2014, Enders joined the Advisory Council of the Munich Security Conference as well as the Senate of the Max-Planck-Gesellschaft. He is patron of the German Mayday Foundation which supports airmen, women and their families in times of need.

Tom Enders is a member of the BDI Board (German Industry Association) since 2009, the Governing Board of HSBC Trinkhaus since 2012, the Joint Advisory Council of Allianz SE since 2013 and the Supervisory Board of Linde AG since 2017.



Current Mandates:

- Chief Executive Officer of Airbus SE;
- Member of the Board of Directors of Airbus SE;
- Member of the Executive Committee of Airbus SE;
- Chairman of the Shareholder Board of Airbus SAS;
- Chairman of the Supervisory Board of Airbus Helicopters SAS;
- Chairman of the Supervisory Board of Airbus DS Holding B.V.;
- Chairman of the Supervisory Board of Airbus Defence and Space Deutschland GmbH;
- Member of the Board of Directors of BDI (Federation of German Industry);
- Member of the Governing Board of HSBC Trinkhaus;
- Member of the International Advisory Board of Atlantic Council of the US;
- Member of the Joint Advisory Council of Allianz SE;
- Member of the Board of Directors of WORLDVU Satellites Ltd. (OneWeb);
- Member of the Supervisory Board of Linde AG;
- Member of the Advisory Counsel of EDB.



Former mandates for the last five years:

- Chairman of the Advisory Council for Aeronautics Research and Innovation in Europe (ACARE) (until June 2013).

Catherine Guillaouard



53 years old

Director since 2016

Independent

**Curriculum Vitae**

Catherine Guillaouard began her career in 1993 at the Ministry of Economy in the French Treasury working for the department in charge of the Africa – CFA zone and later in the Banking Affairs Department. She joined Air France in 1997 as IPO Senior Project Manager. She was subsequently appointed Deputy Vice-President Finance Controlling in 1999, Senior Vice-President of Flight Operations in 2001, Senior Vice-President of Human Resources and Change Management in 2003 and Senior Vice-President of Finance in 2005. In September 2007, she joined Eutelsat as Chief Financial Officer and member of the Group Executive Committee. Catherine joined Rexel in April 2013 as Chief Financial Officer and Group Senior Vice-President. Between May 2014 and February 2017 she has been Deputy Chief Executive Officer of Rexel. Catherine Guillaouard, born in 1965, is a graduate of the Institute of Political Studies of Paris and the École Nationale d'Administration and she has a PhD of European laws (Panthéon-Sorbonne).

**Current Mandates:**

- Member of the Board of Directors of Airbus SE;
- Member of the Board of Directors of ENGIE;
- Chief Executive Officer of RATP.

**Former mandates for the last five years:**

- Deputy Chief Executive Officer of Rexel (until February 2017);
- Independent Member of the Board of Directors of Technicolor (until August 2013);
- Independent Member of the Board of Directors of ADP (until September 2013).

Hans-Peter Keitel



70 years old

Director since 2013,
re-elected in 2016

Independent

**Curriculum Vitae**

Hans-Peter Keitel served as President of the Federation of German Industries (BDI) from 2009 to 2012. Prior to this he served nearly 20 years at Hochtief – first as Director and Board member for International Business and subsequently from 1992 to 2007 as Chief Executive Officer. From 1992 until 1999 he was Member of the Executive Board of Hochtief's mother company, RWE AG. He started his career in 1975 at Lahmeyer International as a technical advisor and project manager being involved in large scale global infrastructure projects in over 20 countries. He also advised the arranging banks of the Channel Tunnel Consortium. Mr Keitel graduated from the Universities of Stuttgart and Munich in Construction Engineering and Economics and has received a PhD in Engineering from the University of Munich.

**Current Mandates:**

- Member of the Board of Directors of Airbus SE;
- Member of the Supervisory Board of RWE AG;
- Chairman of the Supervisory Board and the Shareholders Committee of Voith KGaA;
- Member of the Supervisory Board of ThyssenKrupp AG;
- Deputy Chairman of the Supervisory Board of National-Bank AG.

**Former mandates for the last five years:**

- Member of the Supervisory Board of Deutsche Messe AG (until 2013).

Hermann-Josef Lamberti



62 years old

Director since 2007,
last re-elected in 2017

Independent



Hermann-Josef Lamberti was Member of the Management Board of Deutsche Bank AG from 1999 until 2012 and operated as the bank's Chief Operating Officer. As COO he had global responsibility for Human Resources, Information Technology, Operations and Process Management, Building and Facilities Management as well as Purchasing. He joined Deutsche Bank in Frankfurt in 1998 as Executive Vice President. From 1985, he held various management positions within IBM, working in Europe and the United States, in the fields of controlling, internal application development, sales, personal software, marketing and brand management. In 1997, he was appointed Chairman of the Management of IBM Germany. Mr Lamberti started his career in 1982 with Touche Ross in Toronto, before joining the Chemical Bank in Frankfurt. He studied Business Administration at the Universities of Cologne and Dublin, and graduated with a Master's degree.



Current Mandates:

- Member of the Board of Directors of Airbus SE;
- Member of the Board of Trustees of Institute for Law and Finance Frankfurt;
- Member of the Advisory Board of Wirtschaftsinitiative FrankfurtRheinMain e.V.;
- Member of the Board of Trustees of Johann Wolfgang Goethe-Universität Fachbereich Wirtschaftswissenschaften;
- Member of the Board of Trustees of Frankfurt Institute for Advanced Studies (FIAS) of Goethe-Universität;
- Member of the Supervisory Board of ING Group N.V.;
- Senior Business Advisor of Advent International GmbH;
- Owner / Managing Director of Frankfurt Technology Management GmbH;
- Chairman of the Supervisory Board of Addiko Bank AG.



Former mandates for the last five years:

- Member of the Board of LDM – Lefdal Data Mine, AS, Maloy, Norway (until December 2017);
- Member of the Board of Stonebranch INC., Alpharetta, Georgia, USA (until June 2017);
- Member of the Supervisory Board Open-Xchange AG (until June 2016);
- Member of the Advisory Board of Barmenia Versicherungen Wuppertal (until December 2014);
- Member of the Managing Committee of Institut für Wirtschaftsinformatik der HSG Universität St. Gallen (until December 2013);
- Member of the Board of Trustees of Frankfurt International School e.V (until December 2013);
- Member of the University Council of University of Cologne (until June 2013);
- Member of the Steering Committee and of the Federal Committee Wirtschaftsrat der CDU e.V. (until June 2013);
- Member of the Supervisory Board of Carl Zeiss AG (until March 2013);

María Amparo Moraleda Martínez



53 years old

Director since 2015

Independent



Curriculum Vitae

Amparo Moraleda graduated as an industrial engineer from the ICAI (Escuela Técnica Superior de Ingeniería Industrial) Madrid and holds a PDG from IESE Business School in Madrid. Between January 2009 and February 2012, she was Chief Operating Officer of Iberdrola SA's International Division with responsibility for the United Kingdom and the United States. She also headed Iberdrola Engineering and Construction from January 2009 to January 2011. Previously, she served as General Manager of IBM Spain and Portugal (2001-2009). In 2005 her area of responsibility was extended to encompass Greece, Israel and Turkey as well. Between 2000 and 2001, she was executive assistant to the chairman and CEO of IBM Corporation. From 1998 to 2000, Ms Moraleda was General Manager of INSA (a subsidiary of IBM Global Services). From 1995 to 1997, she was HR Director for EMEA at IBM Global Services and from 1988 to 1995 held various professional and management positions at IBM España. Ms Moraleda is also a member of various boards and trusts of different institutions and bodies. She is member of the academy of "Ciencias Sociales y del Medio Ambiente" of Andalucía (Spain), member of the board of trustees of MD Anderson Cancer Centre in Madrid, CurArte Foundation in Madrid, member of the International Advisory Board of Instituto de Empresa Business School and member of the Board of the global alumni association of IESE Business School.

In May 2017 she was inducted as a member of the Spanish Royal Academy of Economic and Financial Sciences.



Current Mandates:

- Member of the Board of Directors of AirbusSE;
- Member of the Board of Directors of Vodafone plc;
- Member of the Board of Directors of Solvay SA;
- Member of the Board of Directors of Caixabank;
- Member of the Supervisory Board of CSIC (Consejo Superior d'Investigaciones Cientificas);
- Member of the Advisory Board of SAP Spain;
- Member of the Advisory Board of Spencer Stuart Spain.



Former mandates for the last five years:

- Member of the Advisory Board of KPMG Spain (until June 2017);
- Member of the Board of Directors of Faurecia SA (until October 2017);
- Member of the Board of Directors of Meliá Hotels International SA (until June 2015);
- Member of the Board of Directors of Alstom SA (until June 2015);
- Member of the Board of Corporación Financiera Alba SA (until May 2015).

Claudia Nemat



49 years old

Director since 2016

Independent

**Curriculum Vitae**

Born in 1968, Claudia Nemat has been a member of the Board of Management of Deutsche Telekom AG since October 2011. Mrs. Nemat led the European business of DT until the end of 2016. Since January 2017 she has led the new Board area Technology & Innovation.

Before joining Deutsche Telekom AG, Claudia Nemat spent 17 years working for McKinsey & Company where she was elected Partner in 2000, and Senior Partner ("Director") in 2006. Among other responsibilities during her time there, she was Co-leader of the global Technology Sector and led the unit for Europe, the Middle East and Africa.

Her main areas of expertise include large-scale strategic and operational turnaround and transformation programs, digital transformation and industrial politics. Mrs. Nemat has worked in numerous European countries as well as North and South America. She was a member of the Supervisory Board of Lanxess AG from 2013 until 2016. Mrs. Nemat has been a member of the Board of Directors of Airbus and a member of the Supervisory Board of Airbus Defence and Space GmbH since May 2016.

Claudia Nemat studied physics at University of Cologne, where she has also taught at the department of Physics and Mathematics.

**Current Mandates:**

- Member of the Board of Directors of Airbus SE;
- Member of the Board of Directors of Airbus Defence and Space GmbH;
- Member of the Management Board of Deutsche Telekom AG;
- Chairperson of the Supervisory Board of Deutsche Telekom IT GmbH (related to Deutsche Telekom);
- Member of the University Council of University of Cologne.

**Former mandates for the last five years:**

- Chairperson and Member of the Board of BuyIn (related to Deutsche Telekom) (until January 2017);
- Member of the Board of OTE (related to Deutsche Telekom) (until January 2017);
- Member of the Supervisory Board of LANXESS AG (until May 2016);
- Director of EE Limited (UK) (related to Deutsche Telekom) (until 2014).

4

Sir John Parker



75 years old

Director since 2007,
last re-elected in 2016

Independent

**Curriculum Vitae**

Sir John Parker is Chairman of Anglo American PLC, Chairman of Pennon PLC, Non- Executive Director of Carnival PLC and Carnival Corporation. He has completed his term 2011-2014 as President of the Royal Academy of Engineering. He stepped down as Chairman of National Grid PLC in December 2011. His career has spanned the engineering, shipbuilding and defence industries, with some 25 years' experience as CEO including Harland & Wolff and the Babcock International Group. He also chaired the Court of the Bank of England between 2004 and 2009. Sir John Parker studied Naval Architecture and Mechanical Engineering at the College of Technology, Queens University, Belfast.

**Current Mandates:**

- Member of the Board of Directors of Airbus SE;
- Director of Carnival PLC and Carnival Corporation;
- Chairman Anglo American PLC;
- Chairman Pennon Group PLC;
- Director of White Ensign Association Ltd.;
- Visiting fellow of the University of Oxford.

**Former mandates for the last five years:**

- Deputy Chairman of D.P. World (Dubai) (until July 2015);
- President of the Royal Academy of Engineering (until September 2014).

Carlos Tavares



59 years old

Director since 2016

Independent



Curriculum Vitae

Carlos Tavares is a graduate of École Centrale Paris. He held a number of different positions with the Renault Group from 1981 to 2004 before joining Nissan. In 2009, he was appointed Executive Vice President, Chairman of the Management Committee Americas and President of Nissan North America. He was named Group Chief Operating Officer of Renault in 2011. Since 1 January 2014, he has joined the Managing Board of PSA Peugeot Citroën. He was named Chairman of the Managing Board since 31 March 2014.



Current Mandates:

- Member of the Board of Directors of Airbus SE;
- Director of Banque PSA Finance;
- Director of Faurecia SA;
- Chairman of the Board of Directors of Peugeot Citroën Automobiles SA;
- Member of the Board of Directors of Total Group.



Former mandates for the last five years:

- Manager of Bed&Breakfast in Lisbon (until March 2015);
- Director of PCMA Holding B.V. (until October 2014);
- Member of the Managing Board of Nissan Alliance (until August 2013);
- Chief Operating Officer of Renault (until August 2013);
- Director of Renault Nissan B.V. (until August 2013);
- Director of AvtoVAZ (until August 2013);
- Director of Alpine – Caterham (until August 2013).

Jean-Claude Trichet



75 years old

Director since 2012,
last re-elected in 2016

Independent



Curriculum Vitae

Jean-Claude Trichet was President of the European Central Bank, of the European Systemic Risk Board and of the Global Economy meeting of Central Bank Governors in Basel until the end of 2011. Previously, he was in charge of the French Treasury for six years and was Governor of Banque de France for ten years. Earlier in his career, he held positions within the French Inspection Générale des Finances, as well as the Treasury department, and was advisor to the French President for microeconomics, energy, industry and research (1978-1981). Mr Trichet graduated from the École des Mines de Nancy, the Institut d'Études Politiques de Paris and the University of Paris in Economics, is a Doctor Honoris Causa of several universities and an alumnus of the École Nationale d'Administration.



Current Mandates:

- Member of the Board of Directors of Airbus SE;
- President of JCT Conseil, Paris;
- Honorary Governor of Banque de France;
- Honorary Chairman of the G30, Washington D.C. (non-profit organisation);
- Chairman of the Board of Directors of the BRUEGEL Institute, Brussels (non-profit organisation);
- European Chairman of the Trilateral Commission (non-profit organisation).



Former mandates for the last five years:

- Chairman and CEO of G30, Washington D.C. (non-profit organisation) (until December 2016);
- President of SOGEPA - Société de Gestion de Participations Aéronautiques- (until 2013).

Independent Directors

The Independent Directors appointed pursuant to the criteria of independence set out above are Denis Ranque, Ralph Crosby, Catherine Guillouard (from AGM 2016), Hans-Peter Keitel, Hermann-Josef Lamberti, Lakshmi N. Mittal, Maria Amparo Moraleda Martinez, Claudia Nemat (from AGM 2016), Sir John Parker, Carlos Tavares (from AGM 2016) and Jean-Claude Trichet.

Prior Offences and Family Ties

To the Company's knowledge, none of the Directors (in either their individual capacity or as Director or senior manager of any of the entities listed above) has been convicted in relation to fraudulent offences, been the subject of any bankruptcy, receivership or liquidation, nor been the subject of any official public incrimination and/or sanction by a statutory or regulatory authority, nor been disqualified by a court from acting as a Member of the administrative, management or supervisory bodies of any issuer or conduct of affairs of any company, during at least the last five years. As of the date of this document, there are no family ties among any of the Directors.

(iii) Operation of the Board of Directors in 2017**Board of Directors Meetings**

The Board of Directors met nine times during 2017 and was regularly informed of developments through business reports from the CEO, including progress on the strategic and operational plans. The average attendance rate at these meetings was 91%.

Throughout 2017, the Board of Directors reviewed and discussed the technical and commercial progress of significant new and running programmes of the commercial aircraft business, Defence and Space as well as Helicopters. This comprised *inter alia* the remedy of the technical issues hampering the ramp-up of the A400M and the A320neo programmes as well as the efforts to restore the market of the Super Puma helicopter programme after the safety issues due to accidents. In addition, the development of the A330neo, the ramp-up and extension of the A350XWB and the future of the A380 programmes were closely monitored; in the Defence and Space area this comprised the development of unmanned aerial systems as well as the space business' next generation launcher Ariane 6 and the OneWeb satellites constellation programme.

Last year's off-site Board meeting in September in Hamburg was dedicated to the review of the division and product strategies and the related business developments as well as the overall strategy of Airbus. The Board of Directors seized the opportunity to visit the A320 final assembly and A350 subassembly facilities as well as the A350 Customer Definition Center and the Center of Applied Aeronautical Research.

In 2017, the Board of Directors continued to support the digitalisation initiative, which was started in 2015 to enhance Airbus ability to identify and capitalise on innovative and transformational technologies and business models. The reorganisation and refocusing of the CTO department on its fundamental tasks of guiding and coordinating overall activities,

developing group-wide roadmaps / demonstrators as well as technical expertise and blue-sky research was successfully pursued and delivered already promising results.

The merger of Airbus Group and Airbus brought an overhaul of the corporate set-up, simplifying the Company's governance, eliminating redundancies and creating further efficiencies, while at the same time driving further integration of the entire group.

Moreover, the Board of Directors reviewed Airbus' financial results and forecasts and put specific emphasis on Enterprise Risk Management supported by a strengthened internal audit organisation. The corporate social responsibility initiatives were further focused and renamed "Responsibility and Sustainability" (R&S).

A substantial share of the Board activities was dedicated to compliance matters. Among other areas, emphasis was put on further strengthening the Airbus compliance programme, building on the "Business Development Support Initiative" which was started in 2015. The comprehensive training programme set up last year continued to further raise awareness, to reduce risks and more generally to improve the culture of integrity of Airbus. As a consequence of the SFO/PNF investigations, Airbus has transformed the Ad-Hoc Committee that dealt initially with the investigations into a regular Ethics and Compliance Committee with a wider remit to oversee ethics and compliance. The Ethics and Compliance Committee will continue to closely monitor the investigations in view to showing the authorities the committee's thorough and independent approach. In addition, the "Independent Compliance Review Panel", composed of renowned international experts, was introduced to oversee and benchmark the respective activities.

The Board of Directors also decided to perform an external evaluation of the top two tiers of the Executive management in order to reinforce its appreciation of the Company's strength in succession planning and ensure that the right development plans are in place. In particular, the Board has launched an in-depth succession planning review for the top management of the Company; following the first announcements made in December 2017, this process will continue in 2018 with the objective of being ready for the AGM to be held in 2019, given the CEO's announcement that he does not intend to seek extension of his mandate beyond this date.

Board Evaluation 2017

As a matter of principle, the Board of Directors has decided that a formal evaluation of the functioning of the Board of Directors and its Committees with the assistance of a third-party expert is conducted every three years. In the year succeeding the outside evaluation, the Board of Directors performs a self-evaluation and focuses on the implementation of the improvement action plan resulting from the third-party assessment. In the intervening second year, the General Counsel, being also the Secretary of the Board, issues a questionnaire and consults with Board Members to establish an internal evaluation which is then discussed with Board Members.

Corporate Governance

4.1 Management and Control

The year 2017 marked the beginning of a new three-year cycle. In September 2017, the Board of Directors therefore carried out an external evaluation based on a questionnaire issued by a third-party expert and circulated to each Board Member.

The Board of Directors was satisfied overall with the continuous progress made during the first three years Board review cycle and has decided to start a new review cycle with the support of Heidrick & Struggles as the third-party expert.

Each one of the Board Members had an in-person discussion with the third-party expert to cover governance, effectiveness and composition of the Board of Directors and the committees, areas of expertise and working process of the Board of Directors, relationships between the members of the Board of Directors, the Chairman, the management, shareholders and stakeholders as well as scope and composition of topics and preparation for the future.

Following the last Board review, the Board of Directors spent additional time on risk management, strategy and other topics, such as benchmarking on competitors, products and digital transformation. Notable progress has also been made in discussions on strategy, risk management and digital transformation, with strong leadership coming from the CEO and the executive team.

In the 2017 evaluation, the Board Members confirmed the need to continue working hard to reinforce cohesiveness as well as team work within the Board and its Committees, in particular in challenging times and under significant pressure. Some areas of improvement require more attention from the Board such as: corporate and social responsibility, employee engagement, industrial strategy and operations efficiency and succession planning.

Board Members notably valued balance of powers, open debates within the Board of Directors, positive contribution of the Board Committees, creation and performance of the new Ethics and Compliance Committee and constructive and challenging interactions between the Board of Directors and the management, while highlighting that there remains room for further progress in this area. The Board of Directors has also identified ways to improve effectiveness in the preparation of Board meetings, as well as the quality and level of information provided to the Board Members prior to and between Board meetings. The induction programme for new Board Members and off-site Board meetings are also appreciated.

The Board will increase efforts to evaluate the performance and competitiveness of the Company, increase anticipation in a challenging environment and prepare for the future, notably from a leadership standpoint.

In addition, the Board Members highlighted the necessity to continue with the process of the staggering Board principle, decided at the 2016 Annual General Meeting. This is intended to further develop the diversity of expertise, gender and nationalities within the Board of Directors.

4.1.1.2 Board Committees

a) The Audit Committee

The Audit Committee has four (4) Members and is chaired by an Independent Director who is not the Chairman of the Board of Directors or a current or former Executive Director of the Company. The Chairman of the Audit Committee shall be, and the other members of the Audit Committee may be, financial experts with relevant knowledge and experience of financial administration and accounting for listed companies or other large legal entities.

Pursuant to the Board Rules, the Audit Committee, which is required to meet at least four times a year, makes recommendations to the Board of Directors on the approval of the annual financial statements and the interim accounts (Q1, H1, Q3), as well as the appointment of external auditors and the determination of their remuneration. Moreover, the Audit Committee has responsibility for verifying and making recommendations to the effect that the internal and external audit activities are correctly directed, that internal controls are duly exercised and that these matters are given due importance at meetings of the Board of Directors. Thus, it discusses with the auditors their audit programme and the results of the audit of the accounts, and it monitors the adequacy of Airbus' internal controls, accounting policies and financial reporting. It also oversees the operation of Airbus' Enterprise Risk Management ("ERM") system and the ethics and compliance organisation. For further details in this regard, see "— 4.1.3.: Enterprise Risk Management System". Please refer to Annex E of the Board Rules for a complete list of responsibilities of the Audit Committee.

The Chairman of the Board of Directors and the CEO are invited to attend meetings of the Audit Committee. The Chief Financial Officer ("CFO") and the Head Accounting Record to Report are requested to attend meetings to present management proposals and to answer questions. Furthermore, the Head of Corporate Audit & Forensic and the Chief Ethics and Compliance Officer are requested to report to the Audit Committee on a regular basis.

In 2017, it met six times with an average attendance rate of 83%, it discussed all of the above-described items during the meetings and it fully performed all of the above-described duties.

b) The Ethics and Compliance Committee

To reinforce oversight of ethics and compliance matters at the Board of Directors level, a dedicated Ethics and Compliance Committee ("**E&C Committee**" or "**ECC**") was established in 2017 and the Board Rules have been amended accordingly. The E&C Committee replaced a temporary Ad-Hoc Committee that was created in 2016 in respect of similar matters. Pursuant to the Board Rules the main mission of the E&C Committee is to assist the Board in monitoring Airbus' culture and commitment to ethical business and integrity. This committee is empowered to oversee Airbus' ethics and compliance programme, organisation and

framework for an effective ethics and compliance governance (including all associated internal policies, procedures and controls), which includes the areas of money laundering and terrorist financing, fraud, bribery and corruption, trade sanctions and export control, data privacy, procurement and supply chain compliance and anti-competitive practices.

The E&C Committee has five (5) Members and is chaired by any of its members. Each member should be an Independent Director. Both the chairman of the Audit Committee and the chairman of the RNGC is a member of the E&C Committee.

The E&C Committee makes recommendations to the Board of Directors and its Committees on all ethics and compliance-related matters and is responsible for providing to the Audit Committee any necessary disclosures on issues or alleged ethical and compliance breaches that are financial and accounting-related. The E&C Committee maintains a reporting line with the Chief Ethics and Compliance Officer, who is requested to provide periodic reports on its activities.

The Chairman of the Audit Committee and the Chairman of the RNGC are members of the E&C Committee. Unless otherwise decided by the E&C Committee, the CEO is invited to attend the meetings. From time to time, independent external experts and the Independent Compliance Review Panel are also invited to attend E&C Committee meetings.

The E&C Committee is required to meet at least four times a year. In 2017, the E&C Committee and its predecessor, the Ad-Hoc Committee, met in total ten times with an average attendance rate of 85%. All of the above described items were been discussed during the meetings. Both, the E&C Committee and the temporary Ad-Hoc Committee fully performed all the above-described duties.

c) The Remuneration, Nomination and Governance Committee

The RNGC has four (4) Members, with geographic diversity. Each Member of the RNGC is an Independent Director. One Member of the RNGC is a Director who is appointed to the Board of Directors on the basis of the French State Security Agreement. One Member of the RNGC is a Director who is appointed to the Board of Directors on the basis of the German State Security Agreement. The Board of Directors, by a Simple Majority (defined below), appoints the chair of the RNGC, who may not be any of the following:

- the Chairman of the Board of Directors;
- a current or former Executive Director of the Company;
- a Non-Executive Director who is an Executive Director with another listed company; or
- a Director appointed to the Board of Directors on the basis of the French State Security Agreement or the German State Security Agreement.

Pursuant to the Board Rules, besides its role described in section 4.1.1 above, the RNGC consults with the CEO with respect to proposals for the appointment of the Members of the Executive Committee, and makes recommendations to the

Board of Directors regarding the appointment of the Secretary to the Board of Directors. The RNGC also makes recommendations to the Board of Directors regarding succession planning (at Board, Executive Committee and Senior Management levels), remuneration strategies and long-term remuneration plans. Furthermore the Committee decides on the service contracts and other contractual matters in relation to the Members of the Board of Directors and the Executive Committee. The rules and responsibilities of the RNGC have been set out in the Board Rules.

The Chairman of the Board of Directors and the CEO are invited to attend meetings of the RNGC. The Chief Human Resources Officer (“CHRO”) is requested to attend meetings to present management proposals and to answer questions.

In addition, the RNGC reviews top talents, discusses measures to improve engagement and to promote diversity, reviews the remuneration of the Executive Committee Members, the Long-Term Incentive Plans (“LTIP”), and the variable pay for the previous year.

Finally, the RNGC performs regular evaluations of the Company’s corporate governance and makes proposals for changes to the Board Rules or the Articles of Association.

The guiding principle governing management appointments within Airbus is that the best candidate should be appointed to the position (“best person for the job”), while at the same time seeking to achieve a balanced composition with respect to gender, experience, national origin, *etc.* The implementation of these principles should, however, not create any restrictions on the diversity within the Company’s executive management team.

The RNGC is required to meet at least four times a year. In 2017, it met nine times with an attendance rate of 92%, it discussed all of the above described items during the meetings and it fully performed all of the above described duties.

4.1.1.3 The Executive Committee

a) Nomination and Composition

The Executive Committee of Airbus (the “**Executive Committee**”) is chaired by the Chief Executive Officer and its members are appointed on the basis of their performance of their individual responsibilities as well as their respective contribution to the overall interest of Airbus.

The CEO proposes all of the Members of the Executive Committee for approval by the Board of Directors, after consultation with (i) the Chairman of the RNGC and (ii) the Chairman of the Board of Directors, applying the following principles:

- the preference for the best candidate for the position;
- the maintenance, in respect of the number of Members of the Executive Committee, of the observed balance among the nationalities of the candidates in respect of the location of the main industrial centres of Airbus (in particular among the nationals of the four Member States of the EU where these main industrial centres are located); and

Corporate Governance

4.1 Management and Control

- at least 2/3 of the Members of the Executive Committee, including the CEO and the Chief Financial Officer (“CFO”), being EU nationals and residents.

The Board of Directors determines, by simple majority vote, whether to approve all of the Members of the Executive Committee as proposed by the CEO.

b) Role of the Executive Committee

The CEO is responsible for executing the strategy, as approved by the Board of Directors, and for managing the day-to-day operations of Airbus’ business and he shall be accountable for its proper execution. For this purpose, the CEO seeks regularly advice from its core executive management team (“**EMT**”), which comprises some of the Executive Committee Members, on Airbus-wide topics such as corporate matters or major ongoing projects as well as on business development and performance improvement opportunities.

The Executive Committee further supports the CEO in performing these tasks, ensuring proper alignment of the Company’s management beyond the EMT. The Executive Committee Members shall jointly contribute to the overall interests of the Company, in addition to each Member’s individual operational or functional responsibility within Airbus. The CEO endeavours to reach consensus among the Members of the Executive Committee. In the event a consensus is not reached, the CEO is entitled to decide the matter.

c) The Executive Committee in 2017

The Executive Committee comprises the heads of the Divisions and key functions of the Company, and is dedicated to exchange and align on important matters such as:

- appointment by the heads of the Airbus Divisions and functions of their management teams;
- major investments/divestments;
- settling up and control of the implementation of the strategy for Airbus’ businesses;
- Airbus policy matters and management and organisational structure of the business;
- definition of the Company’s financial performance and business performance strategy and targets;
- business issues, including the operational plan of the Company and its Divisions.

It is also the forum where the information or requests for approval destined for the Board are discussed and approved. The CEO is the only Executive Director within the Board of Directors and represents the Company on the Board. But, depending on the respective topic, he usually asks the responsible Executive Committee Member to join him in the Board for presenting the financials (CFO), programme/product topics (Division head), HR matters (CHRO) or any other topic where a specialist is needed. This approach allows that the Board Members get to know the Executive Committee Members equips them to make judgements when it comes to decisions about key positions.

The Executive Committee met four times during 2017.

COMPOSITION OF THE EXECUTIVE COMMITTEE AT THE END OF 2017

Name	Start of term	Principal Occupation
Tom Enders	2012	Chief Executive Officer Airbus
Fernando Alonso	2015	Head of Military Aircraft Airbus Defence and Space
Thierry Baril	2012	Chief Human Resources Officer Airbus & Airbus Commercial Aircraft
Fabrice Brégier	2012	Chief Operating Officer Airbus and President Airbus Commercial Aircraft
Guillaume Faury	2013	Chief Executive Officer Airbus Helicopters
John Harrison	2015	Group General Counsel Airbus
Dirk Hoke	2016	Chief Executive Officer Airbus Defence and Space
John Leahy	2012	Chief Operating Officer – Customers Airbus Commercial Aircraft
Allan McArtor	2014	Chief Executive Officer Airbus North America
Klaus Richter	2015	Chief Procurement Officer Airbus & Airbus Commercial Aircraft
Harald Wilhelm	2012	Chief Financial Officer Airbus
Tom Williams	2015	Chief Operating Officer Airbus Commercial Aircraft

Note: Status as of 1 January 2018. The professional address of all Members of the Executive Committee for any matter relating to Airbus is Mendelweg 30, 2333 CS Leiden, the Netherlands.

Tom Enders – Chief Executive Officer Airbus

(see above under “— 4.1.1.1 Board of Directors”)

Fernando Alonso – Head of Military Aircraft Airbus Defence and Space

Fernando Alonso was named as Head of Military Aircraft, Airbus Defence and Space on 29 January 2015 and took up the position on 1 March 2015. He is a member of the Airbus Defence and Space Executive Committee and on 1 July 2015 was appointed to the Executive Committee. Previously he was Senior Vice President Flight and Integration Tests, Head of Flight Operations since September 2007, and, before that, Vice President Flight Test Division since February 2002.

Fernando Alonso began his professional career with McDonnell Douglas in Long Beach, California in 1979 as a performance engineer in the Company's flight test department. Three years later, he joined Airbus as a performance engineer in the flight division.

While remaining with Airbus, he graduated as a flight test engineer at l'École du Personnel Navigant d'Essais et de Réception (EPNER) in 1990, and then became a flight test engineer responsible for aircraft performance of the A330, A340 and A321.

Between 1995 and 2002, Fernando was responsible for the development of flight controls and handling qualities during the flight test programmes of the A319, A330-200, A340-500 and A340-600. Subsequently, he was deeply involved in the organisation and coordination of the flight test campaign of the A380.

During a career at Airbus that has spanned more than 30 years, Fernando has accumulated more than 4,300 hours of flight tests. He was a flight test engineer on the maiden flights of A340-200 in 1992, the A319 in 1997, the A380 in April 2005 and most recently the A350 XWB in June 2013.

Born in Madrid, Spain in 1956, he obtained a degree from the Polytechnic University of Aeronautical Engineers in Madrid in 1979. He is a keen skier and tennis player. He and his family are also actively involved in the French charity Pour un Sourire d'Enfant, fundraising and organising summer camps for underprivileged children who live in a municipal dump in Phnom Penh, Cambodia.

Thierry Baril –Chief Human Resources Officer Airbus & Airbus Commercial Aircraft

Thierry Baril was appointed Chief Human Resources Officer of Airbus on 1 June 2012. In addition, Baril continues to serve as Airbus Commercial Aircraft Chief Human Resources Officer.

Thierry Baril joined Airbus Commercial Aircraft in 2007 as Executive Vice President, Human Resources, and Member of the Airbus Commercial Aircraft Executive Committee, with responsibility for defining and implementing a company-wide Human Resources strategy, enhancing integration and employee engagement. He oversaw the development of key skills and

competences to support business growth and greater internal mobility. One of his main achievements was the transformation of the Company in the areas of leadership culture and diversity, having played a key role in the implementation of “Power8” and Airbus' internationalisation strategy.

Prior to this, Thierry Baril was Executive Vice President Human Resources at Eurocopter – now Airbus Helicopters – and member of the Eurocopter Executive Committee from January 2003. In this position, Baril managed the Company's Human Resources activities globally, including the implementation of Human Resources policies across Eurocopter's European sites and its 15 subsidiaries worldwide. He was instrumental in the implementation of “Vital”, a programme which transformed Eurocopter as a business.

Thierry Baril started his career in 1988 as Deputy Human Resources Director at Bocard SA, and transferred to Laborde & Kupfer-Repelec, a subsidiary of GEC ALSTHOM, as Human Resources Manager in 1991.

From 1995, Thierry Baril held roles as Human Resources Director of the Alstom Energy Belfort site and Vice President of Human Resources of the Alstom Energy Group.

Following on from his experience at Alstom Energy, in 1998 Thierry Baril became Managing Director of Human Resources for Europe for GE (General Electric) at their Belfort Headquarters, followed by Vice President of Human Resources at Alcatel Space's Headquarters in Toulouse from 2000.

Fabrice Brégier – Chief Operating Officer Airbus and President Airbus Commercial Aircraft

Fabrice Brégier was appointed President of Airbus Commercial Aircraft & Chief Operating Officer Airbus on 1 January 2017. He previously was the President and Chief Executive Officer of the Airbus Commercial Aircraft Division since June 2012. In 2017, Mr Brégier was a member of the Executive Committee.

He started his career in 1983 as a test engineer at the Creys-Malville nuclear power station, becoming sales manager for Péchiney (Japan) in 1984. In 1986 he joined the DRIRE Alsace (Ministry of Industry) and was then appointed Director of Economic and Financial Affairs with the Ministry of Agriculture in 1989.

Having been Advisor to several French Ministers, Mr. Brégier joined Matra Défense in 1993 as Chairman of the Apache MAW GIE (co-operation with Dasa) and Chairman of the Eurodrone GIE (with STN-Atlas). In 1996 he was appointed Director of Stand-Off activities (Apache, Scalp EG/Storm Shadow) in what had become Matra BAe Dynamics.

In 1998, Mr. Brégier became CEO of Matra BAe Dynamics. He was appointed CEO of MBDA, the leading European missile systems company that was created in 2001 by Aerospatiale Matra, British Aerospace and Finmeccanica. In 2003, Fabrice Brégier became President and CEO of the Eurocopter Group and was appointed Head of EADS' Eurocopter Division in June 2005.

Corporate Governance

4.1 Management and Control

Mr. Brégier was appointed Airbus Chief Operating Officer (COO) in October 2006. As a Member of the EADS Executive Committee, he was commissioned by Louis Gallois to improve the overall operational performance of the Group. His responsibilities included the Company's wide-ranging restructuring and change programme (Power8), the Executive Committee functions Operations, Engineering and Procurement, and the A350 XWB programme.

Mr. Brégier graduated from the École Polytechnique in 1980 and from the École des Mines. He was born in 1961 in Dijon, France.

Guillaume Faury – CEO Airbus Helicopters

Guillaume Faury became Chief Executive Officer (CEO) of Airbus Helicopters – formerly Eurocopter – on 1 January 2014 and is a member of the Executive Committee.

Prior to assuming this position, he had been CEO of Eurocopter since May 2013. He joined Eurocopter from Peugeot S.A., where he had served as Executive Vice President for Research and Development since 2010 and as a Member of the Managing Board since 2009.

Guillaume Faury, a licensed flight test engineer, served in various senior management functions at Eurocopter from 1998 to 2008 before joining Peugeot S.A. He was Chief Engineer for the EC225/725 programme, Head of the Heavy Helicopter Flight Test department, Executive Vice President for Commercial Programmes and, ultimately, Executive Vice President for Research & Development. Guillaume Faury also was a member of the Eurocopter Executive Committee.

He started his professional career with the French Defence Procurement Agency DGA, where he was in charge of Tiger helicopter flight test activities at the Istres Flight Test Centre.

Guillaume Faury, born in February 1968, holds an engineering degree from the École Polytechnique in Paris as well as an aeronautics and engineering degree from the École Nationale Supérieure de l'Aéronautique et de l'Espace in Toulouse.

Dirk Hoke – CEO Airbus Defence and Space

Dirk Hoke is the designated Chief Executive Officer (CEO) of Airbus Defence and Space as of 1 April 2016. He started on 1 January 2016 as Deputy CEO. He is a member of the Executive Committee.

Dirk Hoke joined Airbus from Siemens, where he had been CEO of the Large Drives Business Unit since 2014. He has held various executive-level positions at Siemens since becoming CEO of the Cluster Western & Central Africa in 2008. His career spans 21 years and five continents.

In 1994, Dirk Hoke began his professional career as R&D Engineer for process and software analysis in the automotive industry at Renault in Paris. In 1996, he joined Siemens through an international trainee programme with assignments in Germany, Argentina and Austria. He then held various management posts in the Transportation Systems Division based in Germany. He relocated to Sacramento, USA, as Head of the Transportation Systems restructuring team in 2001.

Dirk Hoke continued his professional career at Siemens as General Manager for the Transrapid Propulsion and Power Supply Subdivision from 2002 to 2005 including the Shanghai "Maglev" project. He was then promoted to President of Siemens Transportation Systems China and made Siemens the largest foreign railway supplier in the country.

In 2008, Dirk Hoke moved to Morocco to lead Siemens' Africa activities. He returned to Germany in 2011 to become the Division CEO of Industrial Solutions with the special task to build up the services business for the Industry Sector. Afterwards, he was called upon to restructure the Large Drives Business Unit.

Dirk Hoke holds a degree in mechanical engineering from the Technical University of Brunswick, Germany. In 2010, Dirk Hoke became a member of the Young Global Leader Class of the World Economic Forum and in 2013, member of the Baden Baden Entrepreneur Talks.

Born on 2 April 1969, Dirk Hoke is married with two children.

John Harrison – General Counsel Airbus

John Harrison has been General Counsel since June 2015. Solicitor of the Supreme Court of England & Wales, John Harrison completed his academic studies at the University of McGill, Montréal, Canada. He holds a Bachelor LLB (Hons) and Masters LLM of Laws degree.

John Harrison began his career in 1991 at the international law firm Clifford Chance, working consecutively in their London, New York and Paris offices.

He joined Airbus then Technip S.A. where he served as Group General Counsel and Member of the Executive Committee from 2007-2015.

Prior to joining Technip, Mr Harrison fulfilled various senior legal positions in Airbus companies over a ten year period culminating his tenure from 2003-2007 as General Counsel of the EADS Defence Division.

John Harrison was born on 12 July 1967 in the United Kingdom.

John Leahy – Chief Operating Officer-Customers Airbus Commercial Aircraft

John Leahy was appointed Chief Operating Officer – Customers of Airbus in July 2005 and assumed the same role for Airbus Commercial Aircraft effective from 1 January 2017. He continued his responsibilities as Chief Commercial Officer of the Airbus Commercial Aircraft division, a role he had held since August 1994. His responsibilities covered all commercial activities including sales, marketing, contracts, business transaction control, asset management, leasing, and business development. Leahy was a member of the Airbus Executive Committee in 2017.

One of Leahy's greatest achievements was to raise Airbus' market share from 18% in 1995 to over 50% by the turn of the century, where it has been maintained over the last 14 years. He also led the commercial activities that resulted in the successful launch of Airbus next generation flagship aircraft which set the

standards for large aircraft in the 21st century, the A380 and the A350 XWB. Leahy was also a key player in the launch of the A320neo (New Engine Option) family, which has become the fastest selling aircraft programme in aviation history. He was also instrumental in the launch of the A350 XWB family as well as the A330neo.

John Leahy worked for seven years in marketing at Piper Aircraft before joining Airbus North America in January 1985. He became Head of Sales in 1988 and then became President of Airbus North America. Leahy was responsible for the penetration of the strategic North American market, where most major U.S. airlines are now Airbus customers.

John Leahy has an MBA from Syracuse University with concentration in both Finance and Transportation Management and a BA from Fordham University with a dual major in Communications and Philosophy. He is also a licensed multi-engine commercial pilot and a former flight instructor. In March 2012, he received one of France's top civilian awards by being named an Officer of the Légion d'Honneur, for his services to European and French aviation.

Allan McArtor – CEO Airbus North America

Allan McArtor was Chairman of Airbus Americas, Inc. In this leadership role, McArtor enhanced relationships with Airbus' customers, suppliers and government representatives. He was instrumental in providing strategy and vision for Airbus companies throughout the United States, Canada and Latin America. McArtor increased the Company's commercial aviation market share throughout the region and established the A320 Aircraft Assembly Line in Mobile, Alabama.

Throughout his career, McArtor has held a series of leadership and senior management positions in the military, civil and government sectors.

Before joining Airbus, he was founder, chairman and CEO of Legend Airlines, a regional airline based at Dallas Love Field, Texas.

President Ronald Reagan appointed McArtor to serve as the Administrator of the FAA from 1987 to 1989.

McArtor served on the senior management team of Federal Express from 1979 to 1987 and 1989 to 1994 first as Senior Vice President Telecommunications during the development of FedEx's extensive satellite-based digital network, then as Senior Vice President Air Operations for FedEx's global airline.

McArtor was a combat fighter pilot in Vietnam from 1968 to 1969, an Associate Professor of Engineering Mechanics at the Air Force Academy, and a pilot with the U.S. Air Force's Thunderbirds Aerial Demonstration Team.

He is a 1964 graduate of the U.S. Air Force Academy (BSE) and holds a master's degree (MSE) from Arizona State University. He holds an honorary doctorate degree from Christian Brothers University in Memphis, Tennessee, in recognition of his role in establishing the School of Telecommunications and Information Systems.

Klaus Richter – Chief Procurement Officer Airbus & Airbus Commercial Aircraft

Klaus Richter became Chief Procurement Officer for Airbus SE on 1 January 2015. In this function, he is a member of the Executive Committee and the Airbus Executive Committee. In addition, he serves as the Chairman of the Board of Airbus in Germany and leads the supervisory board of Premium AEROTEC Group.

He is in charge of procurement across the entire Airbus Commercial Aircraft organisation, having responsibility for developing strong partnerships with suppliers and ensuring timely delivery of all purchased goods on cost and with the proper quality.

In addition, Richter leads the General Procurement Organisation of Airbus. He coordinates strategic procurement topics, as well as the development and application of procurement processes and tools across the Group. Richter is also responsible for the Airbus Regional Sourcing Offices in the U.S., India and China.

In January 2017, Klaus Richter also assumed the role of the president of the German Aerospace Industries Association (BDLI).

Richter joined Airbus in November 2007 as Executive Vice President Procurement for Airbus. Before joining the Group, Richter was Senior Vice President Materials Purchasing for BMW, based in Munich, Germany. In this position, he was heading all supplier relations for direct materials and equipment across the entire company.

Klaus Richter began his professional career with McKinsey & Company in 1993 as a management consultant for automotive, electronics and aerospace businesses and product development, a role which he retained until he joined the BMW Group in 2003 as Head of Purchasing Strategy for production materials.

Richter graduated from the Technical University of Munich where he obtained a doctorate in mechanical engineering in 1991. After graduation he received a Humboldt scholarship and spent two years as a researcher and teacher at the University of California at Berkeley.

Born in Munich on 29 September 1964, Klaus Richter is married with two children.

Harald Wilhelm – Chief Financial Officer Airbus

Harald Wilhelm has been Chief Financial Officer of Airbus and Airbus Commercial Aircraft since 1 June 2012 and is a member of the Executive Committee.

He has held the role of Airbus Commercial Aircraft CFO since 1 February 2008. Previously, he was Airbus Commercial Aircraft Chief Controlling Officer and deputy to the Chief Financial Officer, a position to which he was appointed on 1 January 2007.

Prior to this, he was Senior Vice President, Airbus Commercial Aircraft Financial Control, a role he held from 2003 to 2006. Wilhelm joined Airbus Commercial Aircraft in 2000 as Senior Vice President, Accounting, Tax and Financial Services.

Corporate Governance

4.1 Management and Control

Before joining Airbus, Wilhelm had been Vice President M&A (mergers and acquisitions) at DaimlerChrysler Aerospace from 1998, where he worked on projects including the integration of Airbus into a single company. Prior to this, he had been Senior Manager M&A at Daimler-Benz Aerospace from 1995 to 1998 and M&A Manager for the Company between 1992 and 1993.

Born in April 1966 in Munich, Wilhelm has a degree in Business Studies from Ludwig Maximilians University in Munich.

Tom Williams – Chief Operating Officer Airbus Commercial Aircraft

Tom Williams was appointed Chief Operating Officer (COO) of Airbus Commercial Aircraft in January 2015. He is responsible for the overall operations including Engineering, Procurement and Supply Chain Management. Tom is a member of the Executive Management Team of Airbus and the Airbus Commercial Aircraft Executive Committee.

Previously Tom was Airbus Commercial Aircraft Executive Vice President Programmes, a position he held from July 2005. His role covered all Airbus aircraft families and as such, he was in charge of ensuring the profitability of the civil programmes, of leading the product policy and the development of new products, as well as ensuring proper delivery to the customers. Before being appointed to this position, he had been Executive Vice President Procurement since February 2004.

After completing an apprenticeship with Rolls-Royce Aero Engines in 1972, Tom went on to carry out increasingly senior roles in a number of UK manufacturing companies.

In 1992 he was appointed Operations Manager for Cummins Engines, looking after all manufacturing at the Company's 1,200-strong Scottish factory. At the start of 1995 he became

Manufacturing and Business Group Director for the Sensors activity of Pilkington Optronics – a joint venture with Thomson CSF of France. Focusing initially on the introduction of “lean manufacturing” techniques, he also became involved in integrating Thorn EMI Electro Optics into the business.

Tom joined British Aerospace (now merged with Marconi Electronic Systems to form BAE Systems) in 1997 as Site Director and General Manager at the Prestwick site of the company's Aerostructures division. Two years later he was appointed Operations Director – Internal Supply, within the company's Military Aircraft and Aerostructures Division, then Eurofighter Operations Director with responsibilities that included manufacturing and other business functions at the Warton and Salmesbury sites of BAE Systems.

In November 2000, Tom became Managing Director and General Manager of Airbus UK, a position he held until he became Airbus' Executive Vice President Procurement in 2004.

Tom was born in 1952 in Glasgow. During his apprenticeship he gained an HNC in Production Engineering and in 1988 an MBA from Glasgow University. Married with one daughter, Tom is a keen football supporter and occasional golfer.

Tom received a Commander of the Order of the British Empire (CBE) in January 2011 and was awarded the rank of Knight in the Légion d'Honneur by the Republic of France in December 2015.

Last year, Tom received the Mensforth Manufacturing Medal from the Institute of Engineering and Technology (IET) for his achievements as a world-class production engineer, and was awarded the Honorary Degree of Doctor of Business Administration by the University of the West of England in recognition of his contribution to operations, manufacturing and business.

4.1.2 Dutch Corporate Governance Code, “Comply or Explain”

In accordance with Dutch law and with the provisions of the Dutch Code as amended in 2016, which includes a number of non-mandatory recommendations, the Company either applies the provisions of the Dutch Code or, if applicable, explains and gives sound reasons for their non-application. While the Company, in its continuous efforts to adhere to the highest standards, applies most of the current recommendations of the Dutch Code, it must, in accordance with the “comply or explain” principle, provide the explanations below.

On 8 December 2016, the Dutch Code was revised; its updated recommendations apply to financial years starting on or after 1 January 2017.

Airbus welcomed the updates to the Dutch Code and supports the emphasis of the revised Dutch Code on topics such as long-term value creation and the importance of culture. Airbus already complies with a vast majority of the provisions of the revised Dutch Code.

For the full text of the Dutch Code as well as the New Code, please refer to www.commissiecorporategovernance.nl.

For the financial year 2017 and in respect of compliance with the Dutch Code, the Company states the following:

1. Vice-Chairmanship

Provision 2.3.6 (ii) of the Dutch Code recommends the election of a vice-chairman, to, among other things, deal with the situation when vacancies occur.

The Board of Directors is headed by the Chairman of the Board of Directors and no vice chairman is appointed. In case of dismissal or resignation of the Chairman, the Board of Directors shall immediately designate a new Chairman. In Airbus' view there is no need for the appointment of a vice-chairman to deal with such situations or other circumstances.