

ACQUISITION BY SAFRAN SA OF PART OF THE ACTUATION BUSINESS OF COLLINS AEROSPACE, A BUSINESS UNIT OF RTX CORPORATION

Undertakings given by Safran SA to the Competition and Markets Authority pursuant to section 73 of the Enterprise Act 2002

Whereas:

- (a) Safran SA (**Safran**) proposes to acquire sole control of part of the actuation business (the **Target**) of Collins Aerospace, a business unit of RTX Corporation (**RTX**) by way of a share purchase of the in-perimeter legal entities¹ of the Target and relevant assets² that are currently owned by RTX (the **Transaction**), such that Safran and the Target will cease to be distinct for the purposes of the Enterprise Act 2002 (the **Act**);
- (b) Under section 33(1) of the Act the Competition and Markets Authority (**CMA**) has a duty to refer a relevant merger situation for a Phase 2 investigation where it believes that it is or may be the case that the creation of that merger situation has resulted or may be expected to result in a substantial lessening of competition within any market or markets in the UK for goods or services;
- (c) Under section 73 of the Act the CMA may, instead of making such a reference and for the purpose of remedying, mitigating or preventing the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it or may be expected to result from it, accept undertakings to take such action as it considers appropriate, from such of the parties concerned as it considers appropriate. In particular, the CMA shall have regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;

¹ The Target includes the following companies and businesses that are currently solely controlled by RTX: (i) Goodrich Actuation Systems SAS (France); (ii) Microtecnica S.r.l. (Italy); (iii) Goodrich Actuation Systems Limited (UK); (iv) CT Group Limited (UK); (v) Claverham Group Limited (UK); and (vi) PT UTC Aerospace Systems Bandung Operations (Indonesia), as well as their respective subsidiaries.

² The Target includes relevant assets (as defined in Section 2.4 of the Share and Asset Purchase and Sale Agreement) of Collins Aerospace's actuation business, which are all currently owned by RTX. These include approximately 3,700 employees, 8 dedicated in-perimeter facilities (Vernon and St Ouen, France; Turin, Brughiero and Luserna, Italy; Wolverhampton and Banbury, UK; Bandung, Indonesia), and the assets and personnel dedicated to the Target's activities at 3 co-located facilities (Wroclaw, Poland; Rockford, USA; Bangalore, India), which will be carved out and transferred to Safran at closing of the Transaction.

- (d) As set out in the CMA's decision of 28 March 2025 (the **Decision**), the CMA believes that, in the absence of appropriate undertakings, it would be under a duty to refer the Transaction for a Phase 2 investigation;
- (e) The CMA considers that the undertakings given below by Safran are appropriate to remedy, mitigate or prevent the substantial lessening of competition, or any adverse effect which may be expected to result from the Transaction, as specified in the Decision;
- (f) Prior to the acceptance of these undertakings by the CMA, Safran entered into a legally binding agreement dated 19 December 2024 to divest the Divestment Business as a going concern to a Proposed Purchaser on terms approved by the CMA. This agreement was conditional on formal CMA approval of the Proposed Purchaser and acceptance by the CMA of these undertakings as well as the Proposed Purchaser obtaining all the necessary approvals and consents from third parties (including merger control approvals). This agreement includes a warranty from the Proposed Purchaser that the Proposed Purchaser has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and operate the Divestment Business as part of a viable and active business in competition with Safran and other competitors in the global supply of THSA products.

NOW THEREFORE Safran hereby gives to the CMA the following undertakings for the purpose of remedying, mitigating or preventing the substantial lessening of competition, or any adverse effect which may be expected to result from the Transaction.

1 EFFECTIVE DATE OF THE UNDERTAKINGS

- 1.1 These undertakings shall take effect from the date that, having been signed by Safran, they are accepted by the CMA.

2 DIVESTMENT OF THE DIVESTMENT BUSINESS

- 2.1 Safran shall ensure that the completion of the divestment of the Divestment Business to the Proposed Purchaser contemplated by the agreement referred to in recital (f) of these undertakings takes place within a period not exceeding [one month] from the date these undertakings take effect.
- 2.2 Safran shall use all reasonable endeavours to ensure the transfer of Key Staff with the divestment of the Divestment Business.
- 2.3 In the event that Safran fails to complete the divestment of the Divestment Business in accordance with paragraphs 2.1 and 2.2 above, the CMA may, whether or not initiating the Trustee Functions as set out in paragraph 4 below, require Safran to divest the Divestment Business as a going concern at no minimum price to a purchaser or purchasers approved by the CMA.

3 APPROVAL OF PURCHASER AND TERMS OF DIVESTMENT

3.1 For the purposes of the CMA approving a Proposed Purchaser and the terms of the divestment of the Divestment Business in accordance with these undertakings, Safran shall, save as required or permitted by the CMA, satisfy the CMA that:

- (a) the acquisition by the Proposed Purchaser of the Divestment Business, on the terms set out above, remedies, mitigates or prevents the substantial lessening of competition concerned or any adverse effect which may be expected to result from it, in particular having regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
- (b) the Proposed Purchaser is independent of and unconnected to Safran and the Group of Interconnected Bodies Corporate to which Safran belongs and any Associated Person or Affiliate of Safran or such Group of Interconnected Bodies Corporate;
- (c) the Proposed Purchaser has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and operate the Divestment Business as a viable and active business in competition with Safran and other competitors in the global supply of THSA from the date of completion of the divestment of the Divestment Business;
- (d) the Proposed Purchaser is reasonably to be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority, including (where applicable) landlord's consent to the transfer of any leasehold interest; and
- (e) the acquisition by the Proposed Purchaser of the Divestment Business does not create a realistic prospect of a substantial lessening of competition within any market or markets in the UK.

3.2 The CMA may require Safran to provide it with such information and documentation as it may reasonably require to satisfy the CMA that the Proposed Purchaser will fulfil the requirements in paragraph 3.1 above.

4 APPOINTMENT OF A TRUSTEE

4.1 The provisions of paragraph 4.2 to paragraph 4.7 below shall apply only as long as Safran has not satisfied, or where the CMA has reasonable grounds for believing that

Safran will not satisfy, all or any part of the obligation to divest the Divestment Business in accordance with paragraph 2 above.

4.2 Within 5 Working Days of the CMA notifying Safran in writing that it must do so, Safran shall propose to the CMA for approval:

- (a) the names of at least two individuals to exercise the Trustee Functions; and
- (b) the full terms of a mandate in accordance with which the Trustee shall carry out the Trustee Functions.

4.3 Safran and/or any individuals nominated pursuant to paragraph 4.2 shall satisfy the CMA that, save as required or permitted by the CMA:

- (a) such nominated individuals have the necessary qualifications to carry out their mandates, and are employees or partners of an investment bank, retail bank, commercial property agent, building society or law firm or accountancy firm with an established reputation either nationwide or in a substantial part of the UK or in another EU member state;
- (b) such nominated individuals are each independent of Safran and of the Group of Interconnected Bodies Corporate to which Safran belongs and of any Associated Person or Affiliate of Safran or of such Group of Interconnected Bodies Corporate and of any Proposed Purchaser of the Divestment Business to be sold pursuant to these undertakings, and, in the reasonable opinion of Safran, are appropriate to be appointed as Trustee; and
- (c) such nominated individuals neither are, nor are likely to become, exposed, either directly or indirectly, to a conflict of interest that impairs or may be likely to impair their objectivity or independence in discharging the Trustee Functions.

4.4 Within 2 Working Days of the CMA approving, at its discretion, one or more of the persons nominated by Safran and their proposed mandates pursuant to paragraph 4.2 above, and subject to any modifications the CMA deems necessary for the Trustee to carry out the Trustee Functions, Safran shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the CMA pursuant to paragraph 4.2 above.

4.5 In the event that:

- (a) Safran fails to propose any person or persons in accordance with paragraph 4.2 above; or
- (b) none of the persons proposed by Safran pursuant to paragraph 4.2 is approved by the CMA; or

- (c) Safran is unable for any reason to appoint within the time limit stipulated in paragraph 4.4 above any such person following approval by the CMA,

Safran shall use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions on the terms of a mandate approved by the CMA. Safran shall use its best endeavours to make such appointment within 5 Working Days of receiving the nominations from the CMA.

- 4.6 The appointment of the Trustee pursuant to paragraph 4.4 or paragraph 4.5 above shall be irrevocable unless:

- (a) a conflict of interest that impairs or may be likely to impair the objectivity or independence of the Trustee in discharging the Trustee Functions arises;
- (b) the Trustee ceases to perform the Trustee Functions; or
- (c) the CMA is otherwise satisfied that there is good cause for the appointment to be terminated in advance of the satisfactory fulfilment of the Trustee Functions.

- 4.7 In the event that the appointment of the Trustee is terminated in accordance with paragraph 4.6 above, Safran shall, if requested to do so in writing by the CMA, use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions in accordance with such mandate as is approved by the CMA. Safran shall use its best endeavours to make such appointment within seven Working Days of receiving the nominations from the CMA. Where required by the CMA, the outgoing Trustee shall continue as Trustee until a new Trustee is in place and a full handover of all relevant information has taken place.

5 THE MANDATE

- 5.1 The terms of the mandate proposed by Safran pursuant to paragraph 4.2 above shall, as a minimum, contain all provisions necessary to enable the Trustee to carry out the Trustee Functions including, without limitation to the generality of this paragraph:

- (a) an exclusive, irrevocable mandate to sell the Divestment Business as required by paragraph 6.1 below to a purchaser as directed or approved in writing in advance by the CMA at no minimum price and on such reasonable terms and conditions as the Trustee considers appropriate to effect an expedient sale;
- (b) a mandate to take any other steps necessary for, or incidental to, the Trustee's mandate under sub-paragraph (a) above;
- (c) a comprehensive power of attorney to the Trustee (including the authority to grant sub-powers of attorney to the Trustee's officers, employees and agents) to enable it to take all steps necessary or appropriate to effect the sale of the Divestment Business;

- (d) a mandate to comply with any orders and/or directions given by the CMA; and
- (e) a mandate to appoint at Safran's expense such advisers as the CMA and/or the Trustee reasonably considers necessary or appropriate in connection with the performance of the Trustee Functions.

6 FUNCTIONS OF TRUSTEE

- 6.1 The Trustee shall seek to procure, within such period as may be specified in writing by the CMA, the completion of the sale of the Divestment Business at no minimum price, to a purchaser or purchasers approved by the CMA in accordance with paragraph 6.3 below.
- 6.2 Without prejudice to the generality of paragraph 6.1 above, the Trustee shall take the following measures in relation to the Divestment Business to the extent to which such measures may be necessary to effect the divestment of the Divestment Business in accordance with the provisions of these undertakings:
 - (a) the transfer or vesting of property, assets, rights, personnel, liabilities or obligations (including without prejudice any contracts, licences, authorisations, permits or consents);
 - (b) any other transfer of interests that will take effect with the sale;
 - (c) the adjustment of contracts, whether by discharge or reduction or assignment of any liability or obligation or otherwise;
 - (d) the creation, allotment, transfer, surrender or cancellation of any shares, stock or securities; and
 - (e) the formation or winding up of a company.
- 6.3 The Trustee shall not sell or permit the divestment of the Divestment Business to a Proposed Purchaser unless it has been directed to do so by the CMA or has obtained the CMA's prior written approval in respect of the identity of that Proposed Purchaser. The Trustee shall notify the CMA of the identity of a Proposed Purchaser as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed sale and purchase agreement in question.
- 6.4 Pending the divestment of the Divestment Business pursuant to paragraph 6.1 above, the Trustee shall monitor Safran's compliance with its obligations under paragraph 7.1 and paragraph 7.2 below and shall promptly take such measures as it considers necessary to ensure such compliance, as well as reporting in writing to the CMA, if the Trustee concludes on reasonable grounds that Safran is failing or will fail to comply with such obligations.

- 6.5 The Trustee may give written directions to Safran to take such steps as may be specified or described in the directions for the purpose of securing Safran's compliance with its obligations under these undertakings or enabling the Trustee to carry out the Trustee Functions. The Trustee may not require Safran to:
- (a) offer any reverse premium or similar inducement to a purchaser; or
 - (b) accept any actual or contingent liability towards a purchaser or otherwise in connection with the divestment of the Divestment Business which would be unusual in scope, duration or financially, having regard to the price and usual market practice in relation to similar disposals.
- 6.6 The Trustee shall, as soon as reasonably practicable, comply at all times with any reasonable instructions or written directions made by the CMA for the purposes of carrying out or securing compliance with the undertakings (or any matter incidental thereto) and shall provide to the CMA such information and reports in relation to the carrying out of the Trustee Functions as the CMA may require. The Trustee shall promptly report in writing to the CMA if the Trustee concludes on reasonable grounds that Safran is failing or will fail to comply with any of its obligations under these undertakings.
- 6.7 For the purpose of fulfilling the Trustee Functions, the Trustee shall not be bound by instructions of Safran nor shall the Trustee Functions be extended or varied in any way by Safran save with the prior express written consent of the CMA.

7 OBLIGATIONS OF SAFRAN FOLLOWING APPOINTMENT OF TRUSTEE

- 7.1 Safran shall not give any instruction or request to the Trustee which conflicts with the Trustee Functions.
- 7.2 Safran shall take all such steps as are reasonably necessary to enable the Trustee to carry out the Trustee Functions, including but not limited to:
- (a) complying with such written directions as the Trustee may from time to time give pursuant to paragraph 6.6 above; and
 - (b) providing the Trustee with all such assistance and information as it may reasonably require in carrying out the Trustee Functions.

8 REMUNERATION OF TRUSTEE

- 8.1 Safran shall pay the Trustee a reasonable remuneration for the services it provides in carrying out the Trustee Functions, and shall pay the Trustee in a way that does

not impede the independent and effective fulfilment of the Trustee Functions, which shall be set out in the Trustee's mandate referred to in paragraph 5 above.

9 INTERIM ACTION

9.1 Pending the completion of the divestment of the Divestment Business to the satisfaction of the CMA in accordance with the provisions of these undertakings, save as otherwise agreed in advance in writing by the CMA, Safran shall minimise as far as possible any risk of loss of competitive potential of the Divestment Business and in particular ensure that:

- (a) the Divestment Business and the Safran Business are maintained as a going concern and sufficient resources are made available for the development of the Divestment Business and the Safran Business, on the basis of their respective pre-Transaction business plans;
- (b) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the Divestment Business or the Safran Business;
- (c) the nature, description, range and quality of goods and/or services supplied in the UK by the Divestment Business are maintained and preserved;
- (d) except in the ordinary course of business:
 - (i) all of the assets of the Divestment Business and the Safran Business are maintained and preserved, including facilities and goodwill;
 - (ii) none of the assets of the Divestment Business or the Safran Business are disposed of; and
 - (iii) no interest in the assets of the Divestment Business is created or disposed of;
- (e) except as necessary for the completion of the divestment of the Divestment Business, the customer and supplier lists of the Divestment Business and the Safran Business shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Divestment Business will be carried out by the Divestment Business alone and for the avoidance of doubt the Safran Business will not negotiate on behalf of the Divestment Business (and vice versa) or enter into any joint agreements with the Divestment Business (and vice versa);
- (f) all existing contracts of the Divestment Business and the Safran Business continue to be serviced by the business to which they were awarded;

- (g) no changes are made to Key Staff of the Divestment Business or to the personnel within the Safran Business involved in the day-to-day support of the Divestment Business;
- (h) no Key Staff are transferred between the Divestment Business and the Safran Business;
- (i) all reasonable steps are taken to encourage (1) all Key Staff to remain with the Divestment Business and (2) the personnel within the Safran Business involved in the day-to-day support of the Divestment Business to remain with the Safran Business; and
- (j) no Confidential Information relating to either of the Divestment Business or the Safran Business shall pass, directly or indirectly, from the Divestment Business (or any of its employees, directors, agents or affiliates) to the Safran Business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) or any steps necessary in order for Safran to comply with these undertakings, including the transfer of information necessary for the divestment process, provided that, upon divestment of the Divestment Business, any records or copies (electronic or otherwise) of Confidential Information held by Safran in relation to the Divestment Business (or vice versa) shall be returned to the relevant business and any copies destroyed (except as may be necessary for the purposes of compliance with the obligations above).

9.2 At all times, Safran will actively keep the CMA informed of any material developments relating to the Divestment Business, which includes, but is not limited to:

- (a) details of Key Staff who leave the Divestment Business and personnel within the Safran Business involved in the day-to-day support of the Divestment Business who leave the Safran Business;
- (b) any interruption of the Safran Business or the Divestment Business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours;
- (c) all substantial customer volumes lost by the Divestment Business; and
- (d) substantial changes in the Divestment Business's contractual arrangements or relationships with key suppliers.

10 CONTINUED SEPARATION

- 10.1 Except with the prior written consent of the CMA, for a period of 10 years following the divestment of the Divestment Business pursuant to these undertakings, Safran, or any member of the Group of Interconnected bodies Corporate to which Safran belongs:
- (a) shall not, directly or indirectly, hold, acquire, re-acquire or use:
 - (i) an Interest in the Divestment Business; or
 - (ii) any Interest in any company carrying on or having Control of the Divestment Business (other than any investments made in the ordinary course of the operation of any of the employee benefit and pension schemes of Safran or of any members of the Group of Interconnected Bodies Corporate to which Safran belongs of not more than three per cent in aggregate of the issued equity share capital in any such company, whose shares are listed or dealt with on any recognised investment exchange, which carries no more than three per cent of the voting rights exercisable at meetings of such company); or
 - (iii) other than in the normal course of business, any of the assets of the Divestment Business;
 - (b) shall procure that no employee or director of Safran or any member of the Group of Interconnected Bodies Corporate to which Safran belongs for as long as they are an employee or director of Safran or any member of the Group of Interconnected Bodies Corporate to which Safran belongs holds or is nominated to any directorship or managerial position in the Divestment Business or directorship or managerial position in any company or other undertaking carrying on or having control of the Divestment Business without the CMA's prior written consent;
 - (c) shall not participate in the formulation of, or (other than in the ordinary course of business) influence or attempt to influence, the policy of the Divestment Business or any company or other undertaking carrying on or having control of that Divestment Business; and
 - (d) shall not enter into or carry out any agreement or arrangement with any person, if the carrying out of the agreement or arrangement is intended to result or will result in any Associated Person or Affiliate of Safran or of any member of the Group of Interconnected Bodies Corporate to which Safran belongs directly or indirectly acquiring the Divestment Business or doing any of the things listed in sub-paragraphs 10.1(a), 10.1(b) and 10.1(c) above.
- 10.2 Where Safran (or any member of the Group of Interconnected Bodies Corporate to which Safran belongs) divests a Divestment Business by way of granting a sub-lease

and remains the landlord of the purchaser of the Divestment Business, then for the duration of the sub-lease, Safran shall within 10 Working Days of being requested to do so (unless agreed otherwise by the CMA):

- (a) consent to any matter requiring landlord's approval under the terms of the lease between Safran and the purchaser of the Divestment Business (except where Safran is required to obtain such consent from another person); and/or
- (b) pass on any request for consent to the freehold owner of the property or relevant third party, as appropriate.

11 NEW DIVESTMENT IF SAFRAN OBTAINS POSSESSION OF A DIVESTMENT BUSINESS PROPERTY

11.1 In the event that, following divestment of a Divestment Business in a manner that has involved Safran assigning an existing lease or granting a sub-lease to the purchaser of the Divestment Business, Safran benefits from or becomes subject to an Occupation Interest (so long as Safran so benefits or becomes so subject during the term of the lease assigned or sub-lease granted by Safran as part of such divestment), Safran shall:

- (a) within 10 Working Days of becoming aware that it is so benefitting or is so subject inform the CMA in writing of that fact; and
- (b) using its best endeavours and acting in good faith comply with such written directions as the CMA may give to Safran to effect a new divestment of the Occupation Interest to a new purchaser approved by the CMA in accordance with the provisions of these undertakings, provided always that such written directions must be of a similar nature to those contained in these undertakings with regard to the original divestment of the Divestment Business.

11.2 In determining, for the purposes of sub-paragraph 11.1(b) above, whether to require Safran to effect a new divestment of the Occupation Interest to a new purchaser approved by the CMA in accordance with the provisions of these undertakings, the CMA may have regard to any change of circumstances since the Decision.

11.3 In the event that Safran fails to divest the Occupation Interest in accordance with paragraph 11.1 above, the CMA may, whether or not initiating the Trustee Functions set out in these undertakings, require Safran to divest the Occupation Interest at no minimum price to a purchaser approved by the CMA.

11.4 Safran shall notify the CMA in writing of the identity of each proposed purchaser that makes an offer for the Occupation Interest together with the value and terms of such

offers as soon as reasonably practicable following the receipt of such offers and in any event within 10 Working Days of receipt of such offers.

- 11.5 In the event that the CMA gives written directions under paragraph 11.1 above for Safran to effect a new divestment of the Occupation Interest, paragraphs 2, 3, 4, 5, 6, 7 and 8 shall apply to the new divestment in the same way that they applied to the original divestment obligation save that references to 'Divestment Business' in those paragraphs shall be construed as references to 'Occupation Interest'.

12 COMPLIANCE

- 12.1 Safran shall comply promptly with such written directions as the CMA may from time to time give:

- (a) to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with these undertakings; or
- (b) to do or refrain from doing anything so specified or described which it might be required by these undertakings to do or to refrain from doing.

- 12.2 Safran shall co-operate fully with the CMA when the CMA is:

- (a) monitoring compliance with the provisions of these undertakings; and
- (b) investigating potential breaches of the provisions of these undertakings.

- 12.3 Safran shall procure that any member of the same Group of Interconnected Bodies Corporate as Safran complies with these undertakings as if it had given them and actions and omissions of the members of the same Group of Interconnected Bodies Corporate as Safran shall be attributed to Safran for the purposes of these undertakings.

- 12.4 Where any Affiliate of Safran is not a member of the same Group of Interconnected Bodies Corporate as Safran, Safran shall use its best endeavours to procure that any such Affiliate shall comply with these undertakings as if it had given them.

13 PROVISION OF INFORMATION

- 13.1 Safran shall furnish promptly to the CMA such information as the CMA considers necessary in relation to or in connection with the implementation and/or enforcement of and/or the compliance with these undertakings, including for the avoidance of doubt, any Confidential Information.

14 EXTENSION OF TIME LIMITS

- 14.1 The CMA may, in response to a written request from Safran, or otherwise at its own discretion, grant an extension to any time period referred to in these undertakings.

15 SERVICE

- 15.1 Safran hereby authorises Baker McKenzie LLP, whose address for service is 280 Bishopsgate, London EC2M 4AG, to accept service on its behalf of all documents connected with these undertakings (including any document of any kind which falls to be served on or sent to Safran, or any of its Subsidiaries in connection with any proceedings in Courts in the UK, orders, requests, notifications or other communications connected with these undertakings).
- 15.2 Unless Safran informs the CMA in writing that Baker McKenzie LLP has ceased to have authority to accept and acknowledge service on its or any of its Subsidiaries' behalf, any document, order, request, notification or other communication shall be validly served on Safran if it is served on Baker McKenzie LLP; and service shall be deemed to have been acknowledged by Safran if it is acknowledged by Baker McKenzie LLP or such other nominee.
- 15.3 Paragraph 15.2 above has effect irrespective of whether, as between Safran and Baker McKenzie LLP or other nominees, Baker McKenzie or other nominees has or continues to have any authority to accept and acknowledge service on Safran's or any of its respective Subsidiaries' behalf.
- 15.4 No failure or mistake by Baker McKenzie LLP or other nominees (including a failure to notify Safran of the service of any document, order, request, notification or other communication) shall invalidate any action taken in respect of these undertakings including any proceedings or judgment.
- 15.5 Any communication from Safran to the CMA under these undertakings shall be addressed to Manager, Market and Mergers Remedies Monitoring, Competition and Markets Authority, The Cabot, 25 Cabot Square, London, E14 4QZ or such other person or address as the CMA may direct in writing.
- 15.6 All future communications to RTX concerning these undertakings shall be sent to Cleary Gottlieb Steen & Hamilton LLP c/o [X], whose address for service is 2 London Wall Place, London EC2Y 5AU, UK, unless RTX informs the CMA in writing that Cleary Gottlieb Steen & Hamilton LLP no longer represents RTX or any of its Subsidiaries in connection with these undertakings.

16 EFFECT OF INVALIDITY

- 16.1 Should any provision of these undertakings be contrary to law or invalid for any reason, Safran undertakes to continue to observe the remaining provisions.

17 GOVERNING LAW

- 17.1 Safran recognises and acknowledges that these undertakings shall be governed and construed in all respects in accordance with English law.
- 17.2 In the event that a dispute arises concerning these undertakings, Safran undertakes to submit to the courts of England and Wales.

18 TERMINATION

- 18.1 Safran recognises and acknowledges that these undertakings shall be in force until such time as they are varied, released or superseded under the Act.
- 18.2 Safran recognises and acknowledges that the variation, release or supersession of these undertakings shall not affect the validity and enforceability of any rights or obligations that arose prior to such variation, release or supersession.

19 ENFORCEMENT

- 19.1 Safran recognises and acknowledges that section 94 of the Act places a duty on any person to whom these undertakings relate to comply with them. Any person who suffers loss or damage due to a breach of this duty may bring an action. Section 94 of the Act also provides that the CMA can seek to enforce these undertakings by civil proceedings for an injunction or for any other appropriate relief or remedy. Under sections 94AA and 94AB of the Act, the CMA can impose financial penalties in respect of a failure to comply with these undertakings without reasonable excuse as set out in Annex 1 and the [Administrative penalties: Statement of Policy on the CMA's approach \(CMA4\)](#).
- 19.2 Safran recognises and acknowledges that it is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in fines, imprisonment for a term not exceeding two years, or both (Section 117 of the Enterprise Act 2002) or the imposition of financial penalties under section 110(1A), as described in Annex 1 and the [Administrative penalties: Statement of Policy on the CMA's approach \(CMA4\)](#).

20 INTERPRETATION

- 20.1 The Interpretation Act 1978 shall apply to these undertakings as it does to Acts of Parliament.
- 20.2 References in these undertakings to any English law term for any legal status, interest, concept or thing shall in respect of any jurisdiction other than England and Wales be deemed to include what most nearly approximates in that jurisdiction to the English law term.
- 20.3 In these undertakings the word "including" shall mean including without limitation or prejudice to the generality of any description, definition, term or phrase preceding that word and the word "include" and its derivatives shall be construed accordingly.
- 20.4 For the purposes of these undertakings:

"the Act" means the Enterprise Act 2002;

"Affiliate" a person is an affiliate of another person if they or their respective enterprises would be regarded as being under common control for the purposes of section 26 of the Act;

"Associated Person" means a person or persons associated with Safran within the meaning of section 127(4) of the Act and includes any Subsidiary of such a person or persons;

"business" has the meaning given by section 129(1) and (3) of the Act;

"CMA" means the Competition and Markets Authority or any successor body;

"Confidential Information" means any business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature;

"Control" shall be construed in accordance with section 26 of the Act, and in the case of a body corporate, a person shall be deemed to Control it if he holds, or has an interest in, shares of that body corporate amounting to 10 per cent or more of its issued share capital or carrying an entitlement to vote at meetings of that body corporate of 10 per cent or more of the total number of votes which may be cast at such meetings;

"Decision" means the CMA's decision under section 33 of the Act dated 28 March 2025 in connection with the Transaction;

"Divestment Business" means parts of Safran's actuation business and related assets, consisting of Safran's North American THSA activities, secondary flight control actuation activities and nose-wheel steering gearbox activities, and related assets located in Mexicali, Mexico, and Irvine, California, as well as Safran's

electronic control unit activities and related assets based in Peterborough, Canada, as carried on at the Transaction date and detailed in Appendix 1;

"Divestment Business Property" means the relevant property associated with the Divestment Business as at the date of these undertakings;

"enterprise" has the meaning given in section 129(1) of the Act;

"Group of Interconnected Bodies Corporate" has the meaning given in section 129(2) of the Act; references to a Group of Interconnected Bodies Corporate shall be to the Group of Interconnected Bodies Corporate as constituted from time to time;

"Interest" includes shares, an interest in shares and any other interest carrying an entitlement to vote at shareholders' meetings but does not include a contract to acquire shares in the future; and for this purpose, "an interest in shares" includes an entitlement by a person other than the registered holder, to exercise any right conferred by the holding of these shares or an entitlement to Control the exercise of such right;

"Key Staff" means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the Divestment Business;

"Occupation Interest" means an interest in the Divestment Business Property by virtue of which Safran enjoys an unconditional right or is under an unconditional obligation to occupy the Divestment Business Property provided always that: (i) the original purchaser (or its successor) is not in occupation of the Divestment Business Property; and/or (ii) before such interest in the Divestment Business Property arose, the most recent use to which the Divestment Business Property had been put was that of carrying on the supply of actuation products or electronic control units;

"Proposed Purchaser" means Woodward, Inc. or such other proposed purchaser for the Divestment Business;

"Safran" means Safran SA, registered at 2, Boulevard du Général Martial Valin, 75015 Paris, France, whose company number is 562 082 909;

"Safran Business" means the Safran business units in Safran Electronics & Defense Avionics USA, LLC; Safran Aerosystems Mexico S. de R.L. de C.V.; and Safran Electronics & Defense Avionics Mexico SA de CV that directly or indirectly support the Divestment Business carried on as at the Transaction date;

"Subsidiary" shall be construed in accordance with section 1159 of the Companies Act 2006 (as amended), unless otherwise stated;

"Target" means part of the actuation business of Collins Aerospace, a business unit of RTX Corporation registered at 10 Farm Springs Road, MS 10FS-2 Farmington, Connecticut 06032, United States whose company number is 334827;

"THSA" means Trimmable Horizontal Stabilizer Actuation;

"the Transaction" means the acquisition by Safran of part of the actuation business of Collins Aerospace;

"Trustee" means the person appointed pursuant to paragraph 4.4, paragraph 4.5 or paragraph 4.7 to carry out the Trustee Functions;

"Trustee Functions" means the functions set out in paragraph 6;

"UK" means the United Kingdom of Great Britain and Northern Ireland;

"Working Day" means any day of the week other than a Saturday or a Sunday or any day that is a public holiday in any part of the United Kingdom under the Banking and Financial Dealings Act 1971; and

unless the context requires otherwise, the singular shall include the plural and vice versa.

FOR AND ON BEHALF OF SAFRAN

Signature

Name

Title

Date

DATE ACCEPTED BY THE CMA:

APPENDIX 1 – DESCRIPTION OF THE DIVESTMENT BUSINESS

1. The proposed undertakings offered by Safran include the divestment of the Divestment Business to the Proposed Purchaser of Safran's North American electric THSA ("**E-THSA**") activities, secondary flight control actuation ("**SFCA**") activities and nose-wheel steering gearbox activities located in Mexicali, Mexico, and Irvine, California (together, the "**Actuation Activities**"); as well as the entirety of Safran Electronics & Defense, Canada Inc. ("**SEDC**") – an entity based in Peterborough, Ontario – which provides electronic control unit ("**ECU**") components (the "**ECU Activities**").
2. The Divestment Business includes all assets and staff that contribute to its current operation or are necessary to ensure its viability and competitiveness.
3. The Divestment Business is comprised of the following tangible assets:
 - (a) Two leased facilities, in Peterborough dedicated to ECUs production, engineering, support, and MRO, for the ECU Activities.
 - (b) The engineering, manufacturing, testing and servicing equipment (including machinery, test making and other equipment, test stands, tooling) for (i) the ECU Activities, located in the Peterborough facilities, and for (ii) the Actuation Activities, located in the Mexicali and Irvine facilities (these facilities will be retained by Safran). This includes the related documentation (for example, inventory records, scientific or technical information, research and development records, engineering records, drawings).
 - (c) All financial and accounting records primarily related to the Divestment Business and all tax records exclusively related to the Divestment Business; all information, including customer, supplier lists, business plans, cost and pricing information, sales and promotional data, account histories primarily related to the Divestment Business.
 - (d) For the avoidance of doubt, the Divestment Business will not include any tangible assets that are used either exclusively or predominantly for activities other than those related to, and that are not necessary for the viability and competitiveness of, the Divestment Business.
4. The Divestment Business includes the following staff:

Subject to the applicable local employment legislation, Safran commits to transfer to the Proposed Purchaser, at the discretion of the Proposed Purchaser, the following staff, for the Peterborough, Irvine and Mexicali sites:

 - (a) Key Staff; and
 - (b) all staff currently employed by the Divestment Business.
5. At the reasonable request of a Trustee, Safran shall consider the appointment of additional Key Staff without delaying or withholding the appointment unreasonably.

6. The Divestment Business includes all and any intellectual property that is primarily or exclusively used in the operation of the Divestment Business, and more specifically:
 - (a) **Patents.** Safran will transfer the patents related to the products within the scope of the Divestment Business to the Proposed Purchaser.
 - (b) **Know-how.** Safran will transfer all know-how which is owned by Safran, including trade secrets, and (i) exclusively related to the Divestment Business or (ii) necessary for the operation of the Divestment Business (including unregistered designs) to the Proposed Purchaser. The licences to know-how which are owned by customers will transfer to the Divestment Business with the relevant customer contracts.
 - (c) **Software.** Safran will transfer an inventory of the software necessary for the functioning of the Divestment Business (including software data files, protocols, specifications, and other documentation) as well as two software licenses to the Proposed Purchaser.
7. Since the Divestment Business uses trademarks and domain names that include the Safran brand, Safran will offer a licence to use the relevant Safran brands, for a transitional period of time, to the Proposed Purchaser.
8. Safran will also offer a licence which will ensure that the Proposed Purchaser has access to all and any IP owned by Safran (other than brands and the intellectual property rights mentioned above) that is used to operate the Divestment Business, if needed.
9. The Divestment Business is comprised of the following contracts:
 - (a) **Customer contracts.** All customer contracts related to the Actuation Activities and the ECU Activities.
 - (b) **Supplier contracts.** All supplier contracts related to the Actuation Activities and the ECU Activities.
 - (c) **Leases.** The long-term leases of the Peterborough facilities will transfer to the Proposed Purchaser with its acquisition of the shares of SEDC. The Divestment Business will also include, at the Proposed Purchaser's discretion, a short-term sublease agreement for a facility to which the Irvine employees and assets could be transferred by the Proposed Purchaser.
10. Safran will also transfer to the Proposed Purchaser all licenses, permits and authorisations issued by any governmental organisation to the extent transferable under applicable legal requirements, and to the extent the Proposed Purchaser and its affiliates do not own substantially similar licenses, permits and authorisations.
11. For the avoidance of doubt, the Divestment Business will not include any intangible assets that are used exclusively or predominantly for activities other than those related to, and that are not necessary for the viability and competitiveness of, the Divestment Business.
12. Safran will enter into standard transitional arrangements with the Proposed Purchaser, for a transitional period of a standard duration. This will include transitional

service agreements (covering IT, back office and other support functions) to effectuate the move of the assets described herein to the Proposed Purchaser as quickly as possible and, at the Proposed Purchaser's discretion and as per industry's standards, a supply agreement providing for Safran to continue operating the Actuation Activities at the Proposed Purchaser's direction following closing of the divestment, to maintain the continuity of the Actuation Activities during the transition.

ANNEX 1

PART A - ENFORCEMENT OF UNDERTAKINGS GIVEN UNDER SECTION 73 – IMPOSITION OF CIVIL PENALTIES

Imposition of civil penalties

1. Under section 94AA(1), the CMA may impose a penalty on a person—
 - (a) from whom the CMA has accepted an enforcement undertaking, or
 - (b) to whom an enforcement order is addressed,
2. where the CMA considers that the person has, without reasonable excuse, failed to comply with the undertaking or order.
3. In deciding whether and, if so, how to proceed under section 94AA(1) the CMA must have regard to the statement of policy which was most recently published under section 94B at the time of the failure to comply.

Amount of penalty

4. A penalty under section 94AA(1) is to be such amount as the CMA considers appropriate.
5. The amount must be—
 - (a) a fixed amount,
 - (b) an amount calculated by reference to a daily rate, or
 - (c) a combination of a fixed amount and an amount calculated by reference to a daily rate.
6. A penalty imposed under section 94AA(1) on a person who does not own or control an enterprise must not—
 - (a) in the case of a fixed amount, exceed £30,000;
 - (b) in the case of an amount calculated by reference to a daily rate, exceed £15,000 per day;
 - (c) in the case of a fixed amount and an amount calculated by reference to a daily rate, exceed such fixed amount and such amount per day.
7. A penalty imposed under section 94AA(1) on any other person must not—

- (a) in the case of a fixed amount, exceed 5% of the total value of the turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom it is imposed;
- (b) in the case of an amount calculated by reference to a daily rate, for each day exceed 5% of the total value of the daily turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom it is imposed;
- (c) in the case of a fixed amount and an amount calculated by reference to a daily rate, exceed such fixed amount and such amount per day.

8. In imposing a penalty by reference to a daily rate—

- (a) no account is to be taken of any days before the service on the person concerned of the provisional penalty notice under section 112(A1), and
- (b) unless the CMA determines an earlier date (whether before or after the penalty is imposed), the amount payable ceases to accumulate at the beginning of the day on which the person complies with the enforcement undertaking or enforcement order.

PART B - PENALTIES FOR THE PROVISION OF FALSE OR MISLEADING INFORMATION

Imposition of civil penalties

1. Under section 110(1A) of the Act, the CMA may impose a penalty on a person in accordance with section 111 of the Act where the CMA considers that
 - (a) The person has, without reasonable excuse, supplied information that is false or misleading in a material respect to the CMA in connection of any of the CMA's functions under Part 3 of the Act;
 - (b) The person has without reasonable excuse, supplied information that is false or misleading in a material respect to another person knowing that the information was to be used for the purpose of supplying information to the CMA in connection with any function of the CMA under part 3 of the Act.
2. Under section 110(1C) of the Act, the CMA may not impose such a penalty in relation to an act or omission which constitutes an offence under section 117 of the Act if the person has, by reason of the act or omission, been found guilty of that offence.

Amount of penalty

3. Under section 111(4), a penalty imposed under section 110(1A) shall be of such amount as the CMA considers appropriate.
4. A penalty imposed under section 110(1A) on a person who does not own or control an enterprise shall be a fixed amount that must not exceed £30,000.
5. Under section 111(4A) a penalty imposed under section 110(1A) on any other person shall be a fixed amount must not exceed 1% of the total value of the turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person.
6. In deciding whether and, if so, how to proceed under section 110(1A), the CMA must have regard to the statement of policy which was most recently published under section 116 at the time when the act of omission occurred.