

05 JUL 2023

Subject: Announcement of Orolia Defense & Security becoming Safran Federal Systems

Dear Customers and Partners,

I am excited to announce that we have started the transition of our company name and branding from **Orolia Defense & Security** to **Safran Federal Systems**. All the Orolia Defense & Security businesses, including **Orolia Government Systems** and **Talen-X**, will transition to the new brand name over the next 6 months. Our organization, leadership team, employees and facilities are all staying the same but most importantly, our commitment to you continues to be our primary focus.

As you may recall from my previous letters, Safran completed its acquisition of the Orolia group after a negotiation process and a U.S. Government regulatory approval in July 2022. Safran is an international high-tech group headquartered in France, operating in the aviation (propulsion, equipment and interiors), defense and space markets. Safran has a global presence, with over 83,000 employees worldwide and sales of 19.0 billion euros in 2022 including more than 10,000 employees in the United States. Safran is also the third largest inertial navigation technology manufacturer in the world.

Safran Federal Systems will continue to operate Free of Foreign Ownership, Control, or Influence (FOCI). Control of the business will remain unchanged and in the hands of independent cleared U.S. citizens under the approval of the U.S. Government.

Thank you for the tremendous support you have shown us as a valued customer and partner. We are continuing our journey to bring you ever more Resilient PNT solutions on top of our industry-leading products and technology.

Sincerely,



Hironori Sasaki
President, Safran Federal Systems
(585) 250-1545
hiro.sasaki@safranFS.com
www.safranfederalsystems.com

What businesses are part of Safran Federal Systems?

Headquartered in Rochester, NY, Safran Federal Systems serves the defense, federal, and commercial markets with innovative Resilient PNT solutions for the ground tactical, airborne, maritime, and security domains. Safran Federal Systems has primary offices in Rochester, NY (CAGE 826V3) and Ankeny, IA (CAGE 7NK54).

What is a Proxy Agreement and FOCI?

Safran Federal Systems has been operating as a proxy-regulated company since 2019, Free of Foreign Ownership, Control, or Influence (FOCI). To mitigate potential FOCI, Safran, in concert with the Defense Counterintelligence and Security Agency (DCSA) agreed to a comprehensive series of stipulations and requirements known as a Proxy Agreement (the strongest mechanism for FOCI mitigation). As such, Safran Federal Systems is approved to work on the full spectrum of US Government classified and unclassified projects and is positioned to support strategic partnerships in the development of key PNT technologies for the defense market.

Companies under Proxy Agreements, such as Safran Federal Systems, are regarded as U.S.-owned companies for purposes of facility clearances and access to classified information. In accordance with 32 CFR Part 117.11(d)(2)(iv), “National Industrial Security Program Operating Manual (NISPOM)”, there are no restrictions on such a company's eligibility to have access to classified information or to compete for classified contracts.

A Proxy Agreement places the voting rights of the stock or ownership interest into the hands of cleared U.S. citizens who are approved by the Federal Government. Under this arrangement, the foreign owner relinquishes control of the cleared facility and the foreign ownership, control and influence is negated.

Additional information can be requested from the Defense Counterintelligence and Security Agency (www.dcsa.mil).

Why is Orolia Defense & Security changing its name to Safran Federal Systems?

Safran is a recognized global brand in the aerospace and defense market. We selected Safran Federal Systems as our new brand to reflect our new association with the Safran Group while differentiating our specific FOCI-mitigated operations under the Federal Systems name.

How will this change impact me?

Safran Federal Systems leadership will remain as-is and control will remain in the hands of the independent cleared U.S. citizens who were approved by the Federal Government. There will be no changes to your current business development, technical or support teams that you interact with on a day-to-day basis. We are starting with our marketing brand changes and you will begin to see documentation with our new name and logo. Our legal entities and business systems will be updated over the next 6 months which may require some updates to your business systems to reflect the changes. Additional information will be provided by your regular points of contact over the next few months.
