



Public Limited Company with a share capital of 630 630 420 Euros
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LONG TERM INCENTIVE PLAN GRANTED TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR THE 2024 FINANCIAL YEAR

On June 25th, 2024, the Board of Directors approved the terms of the Long Term Incentive Plan granted to the Chairman and Chief Executive Officer for the 2024 financial year, concerning 8 570 free performance shares at target, in accordance with the compensation policy of the company representative of Thales approved by the General Meeting of May 15th, 2024 in its 10th resolution. In the event of overachievement, this number may be increased up to a maximum of 12 855 free performance shares.

In accordance with this remuneration policy, the criteria and weightings attached to this 2024 Plan are changing this year with, notably, the increase in the weight of the CSR criteria from 10% to 20% by the addition of a Gender Diversity criterion within management bodies of 10%, and the corresponding reduction of the internal criteria of organic revenue growth and operational free cash-flow by 5% each.

The objectives and thresholds of the 2024 Plan, approved by the Board, are set as follows:

2024 LTI criteria	Weighting	Objectives	Thresholds	Paiment in number of performance shares
Cumulative free operating cash-flow 2024-2026	30%	Floor : 90% x (budget 24 + budget 25 + budget 26)	If result < Floor	0%
			If result = Floor	15% 1 285 Shares
		Target : budget 24 + budget 25 + budget 26	If result = Target	30% 2 571 Shares
		Ceiling : 120% x (budget 24 + budget 25+ budget 26)	If result >= Ceiling	45% 3 856 Shares
			<i>Linear variation between Floor and Target, and between Target and Ceiling</i>	
Organic growth in revenues 2024-2026 (average annual growth rate, CAGR)	30%	Floor : 90% x TMA (budget 24 + budget 25 + budget 26)	If result < Floor	0%
			If result = Floor	15% 1 285 Shares
		Target : TMA (budget 24 + budget 25 + budget 26)	If result = Target	30% 2 571 Shares
		Ceiling : 120% x TMA (budget 24 + budget 25 + budget 26)	If result >= Ceiling	45% 3 856 Shares
			<i>Linear variation between Floor and Target, and between Target and Ceiling</i>	
Reduction in Scope 1 & 2 Greenhouse Gas Emissions (CO2e) Absolute value 2026 compared to 2018 (at constant scope)	10%	Plancher : - 48%	If result < Floor	0%
			If result = Floor	5% 428 Shares
		Cible: - 50 %	If result = Target	10% 857 Shares
			Plafond : - 52%	If result >= Ceiling
		<i>Linear variation between Floor and Target, and between Target and Ceiling</i>		

2024 LTI criteria	Weighting	Objectives	Thresholds	Paiment in number of performance shares
Share of women in senior management (Pay grade 10-12) 2026 Value	10%	Floor: 21,75% Target: 22,5 % Ceiling: 23,25 %	If result < Floor	0%
			If result = Floor	5% 428 Shares
			If result = Target	10% 857 Shares
			If result >= Ceiling	15% 1 286 Shares
			<i>Linear variation between Floor and Target, and between Target and Ceiling</i>	
Total Shareholder return compared to CAC 40 index Measure based on performance at 12/31/2026 compared to 12/31/2023	10%	Floor: median of the CAC 40 Ceiling: highest quintile of the CAC 40	If TSR < median of the index	0%
			If TSR = median of the index	10% 857 Shares
			If TSR is in the highest quintile of the index	15% 1 286 Shares
			<i>Linear variation between Floor and Target, and between Target and Ceiling</i>	
Total Shareholder return compared to Euro Stoxx Total Market Aerospace & Defence Index Measure based on performance at 12/31/2026 compared to 12/31/2023	10%	Floor: median of the Euro Stoxx Total Market Aerospace & Defense Index Ceiling: highest quintile of the Index	If TSR < median of the index	0%
			If TSR = median of the index	10% 857 Shares
			If TSR is in the highest quintile of the index	15% 1 285 Shares
			<i>Linear variation between Floor and Target, and between Target and Ceiling</i>	

About Thales

Thales (Euronext Paris: HO) is a global leader in advanced technologies within three business domains: Defence & Security, Aeronautics & Space, and Cybersecurity and Digital Identity. It develops products and solutions that help make the world safer, greener and more inclusive.

The Group invests close to €4 billion a year in Research & Development, particularly in key areas such as IA, cybersecurity, quantum technologies, cloud technologies and 6G.

Thales has nearly 81,000 employees in 68 countries. In 2023, the Group generated sales of €18.4 billion.