

# Moving to a new era



**Denis Ranque**  
Chairman of the Board

**In his final message to shareholders before stepping down as Chairman of the Board of Directors, Denis Ranque outlines the Board's key activities during 2019.**

Dear shareholders, Dear stakeholders,

2019 was an historic year for Airbus, as we celebrated our 50th anniversary. I am proud to say that since 1969 we have been innovative pioneers that have helped transform the aerospace and defence industry, and have become a world leader in this field.

As we head into 2020, after having taken immediate health and safety actions to protect its employees, the Company is focused on how to manage the economic consequences of the coronavirus pandemic that is affecting businesses and people all around the world. At the same time, Airbus will contribute where it can to assist global efforts to limit the spread of the disease.

Looking back to 2019, it was a defining year when a new generation of management took the helm. Your Board diligently followed a comprehensive process designed to identify and recruit, or promote, the best candidates, including the new Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

Recruited from outside and within, this new generation has the required expertise and values to continue driving aerospace innovation and address the challenges and opportunities of 2020 and beyond. The 12-strong Executive Committee of diverse backgrounds is focusing not only on the Company's technical, industrial and financial performance but also on customer trust, employee engagement and sustainability. Furthermore, the management is working on setting the right conditions for collective change in order to successfully meet both short- and long-term challenges.

Operationally, the new management team took over at a testing time in 2019. From a geopolitical perspective, Airbus had to navigate global trade tensions and potentially disruptive events like Brexit. Within aerospace specifically, digitalisation is transforming the means of production, while the industry as a whole is committed to reducing its environmental footprint. Additionally, the Company faces strong competition from both existing businesses and newcomers, including the private space companies that are becoming formidable challengers.

At an industrial level, the new team made a smooth start, making fundamental and structural changes for addressing the issues related to the ramp-up of A320neo Family aircraft production, particularly for the larger and more complex A321. Despite this, Airbus delivered a record number of commercial aircraft in 2019 while also having a successful year in terms of orders.

Defence and Space took significant steps towards achieving the A400M transporter's full technical capability and successfully rebaselined the programme even though a new charge was recorded for revised export assumptions. Looking to the future, the Division made further progress on Europe's



**René Obermann (left) and Denis Ranque** pictured during a visit to the Airbus Helicopters headquarters in Marignane, France

next generation Future Combat Air System, scored some important satellite contract wins and successfully met key milestones in Ariane 6's development. Helicopters saw good growth in services, although the civil and parapublic market remained soft, and managed a healthy overall financial performance.

Your Board continued to visit industrial sites, staying close to the products and businesses. During 2019 we met management and employees at the A220 final assembly line in Mirabel, near Montreal. We also examined key topics in our meetings, including strategy, the commercial aircraft ramp-up, defence and space programmes, digital transformation, product safety and cyber security.

The Board committees once again had a busy year. I would like to thank the Remuneration, Nomination and Governance Committee, especially the Chair, Amparo Moraleda, for preparing the recommendations for the wider Board regarding the management transition. Additionally, Catherine Guillouard made a strong start as the new Chair of the Audit Committee, mastering business and external challenges.

The compliance-related settlements reached with the French, UK and US authorities in January 2020 turned the page on unacceptable business practices from the past. The commitment from the Ethics and Compliance Committee, together with the Board, to provide full support to the investigations, ensure strong cooperation with the authorities and supervise the implementation of an effective compliance programme, paved the way to these agreements. More broadly, conducting business in a responsible and sustainable manner is now at the heart of the

Company's priorities. The 2019 accounts included a provision related to the penalties that the Company agreed to pay in 2020 under the terms of the agreements with the authorities.

In line with the policy of staggered appointments, 2020 will see two Directors step down and two join after the AGM. I would like to thank Hermann-Josef Lamberti, the former long-standing leader of our Audit Committee, who leaves after more than 12 years. I have also announced my own departure after seven years. The Board has selected René Obermann to replace me as Chairman, to be confirmed at the Board meeting after the AGM. René is a respected former European technology CEO, with vital insights for Airbus' strategy over the coming years. He already knows Airbus well, having been a Director since 2018.

After a rigorous selection process, we proposed the election of Stephan Gemkow and Mark Dunkerley to become new Members of the Board at the 2020 AGM. Each brings widespread experience of the commercial airline and aviation industry, including finance-related and operational roles. The mandates of Ralph Crosby and Lord Drayson are up for renewal.

In March 2020 and subsequent to the disclosure of the 2019 results, the Board agreed to a number of immediate measures to safeguard the business in reaction to the rapidly evolving coronavirus crisis. These included the withdrawal of the 2019 dividend proposal of € 1.80 per share in order to bolster liquidity and the balance sheet. In the circumstances and to protect Airbus, these prudent steps were the right course of action to take.

In summary, 2019 was the year of a fundamental transition to prepare your Company for the future. I would like to thank Airbus' employees who made these accomplishments both possible and successful, and for their efforts in 2020. For me, it has been a great honor to serve Airbus, with real passion and pleasure, and I extend my best wishes to my successor. With a renewed management team and an experienced Board, your Company is in good hands as it heads into its sixth decade and addresses its immediate and longer-term challenges.

**Denis Ranque**  
Chairman of the Board



Biographies of our Board Members can be found in our **Registration Document**

## Board of Directors

As of 1 January 2020



**Denis Ranque\***

Chairman of the Board of Directors of Airbus SE and Chairman of Ethics and Compliance Committee



**Guillaume Faury**

Chief Executive Officer of Airbus SE



**René Obermann**



**Victor Chu**



**Jean-Pierre Clamadieu**



**Ralph D. Crosby, Jr.**



**Lord Drayson (Paul)**



**Catherine Guillouard**



Chair of Audit Committee



**Hermann-Josef Lamberti**



**Amparo Moraleda**



Chair of Remuneration, Nomination and Governance Committee



**Claudia Nemat**



**Carlos Tavares**

-  Audit Committee
-  Remuneration, Nomination and Governance Committee
-  Ethics and Compliance Committee

\* René Obermann has been selected to succeed Denis Ranque as Chairman, subject to formal approval at the Board meeting convened immediately after the 2020 AGM.