

Modern Slavery Statement FY19

Darchem Engineering Ltd ('Darchem') is committed to supporting fundamental human rights and believe in the dignity and worth of all individuals. We do not use or allow the use of slave or forced labour or human trafficking in our business activities and expect our suppliers to adhere to these same principles. We condemn any degrading treatment of individuals.

This statement is made pursuant to Section 54 of the United Kingdom's Modern Slavery Act of 2015 and details the steps Darchem has taken to ensure that slavery and human trafficking is not taking place in our business and supply chains. It constitutes our slavery and human trafficking statement for the financial year ending on 30 September 2019. As of 14 March 2019, Darchem is a wholly owned subsidiary of TransDigm Group Inc., a \$4 billion turnover US public company, which operates in the Aerospace and Defence market.

Organisational structure and supply chains

Darchem is a leading specialized manufacturing company principally serving aerospace and defence customers. Our products are found on military and commercial aircraft, helicopters, and land-based systems. We also serves the industrial/commercial markets.

We have two manufacturing facilities located in the United Kingdom. We have a team of approximately 849 employees, all of whom are based in the United Kingdom. We work with vendors from countries around the world to source both raw materials and components to fabricate and assemble our products.

Organisation Policies

Darchem is committed to ethical conduct in all aspects of our business and has a zero tolerance approach to slavery and human trafficking. We operate a number of internal policies to ensure that we are conducting business in an ethical manner.

The Whistleblower Policy and the Code of Business Conduct and Ethics can be found at <https://www.transdigm.com/investor-relations/corporate-governance/>. The Code of Business Conduct and Ethics communicates our human rights standards, including freedom from forced labor and human trafficking. This code applies to everyone in Darchem. Employees are required to sign the Code of Conduct to demonstrate their commitment and compliance with this Code.

We have a Combating Trafficking in Persons Policy that prohibits Darchem, our employees, agents, subcontractors and subcontractor employees from engaging in activities that are known enablers of human trafficking as identified in Federal Acquisition Regulation (FAR) 52.222-50 - Combating Trafficking in Persons. These activities include charging recruitment fees, withholding employee identity or immigration documents and using misleading or fraudulent practices during the recruitment of employees, as well as providing arranged housing that fails to meet host country housing and safety standards.

All Darchem supervisors, managers, and executives are required to read and adhere to our Policy and related procedures. We maintain ethics advisors in our business units to further support policy adherence. We are committed to updating our ethics policies periodically to include lessons learned and reflect new insights into improving our effectiveness in the fight against slavery and human trafficking.

We also have a Supplier Code of Conduct (Code) that applies to all Darchem's suppliers and to all supplier facilities performing work for Darchem. Darchem's key suppliers are expected to sign a certification committing to the principles contained within the Code. The Code was originally published in March 2017 and makes clear that we expect our suppliers to adhere to our human rights standards, including our Policy regarding slavery and human trafficking, and to have management systems in place to support compliance with the Code. The Code expects our suppliers to have documented ethics and compliance policies, to implement their own code of conduct, and to flow down the principles of their code to their own supply chain.

Due diligence and assessing and managing risk

Darchem's risk assessment of its supply chain takes into consideration country and sector risks and will recur annually. As we identify risks in our supply chain associated with specific facilities, we will develop mitigation plans to help ensure these facilities are meeting our human rights standards.

Darchem is working with a third-party provider, Assent Compliance, to help us address risks of modern slavery and human trafficking, especially throughout our global supply chain. We are using a modified version of the Slavery and Trafficking Risk Template (STRT) to survey our suppliers to assess the risk of slavery and human trafficking. This risk screening approach directly engages suppliers and, as such, fosters constructive dialogue and further raises supplier awareness of our expectations with regards to protecting workers from slavery and human trafficking. It also collects data in a standardized, efficient manner flowing down and gathering information through deep supply chains.

Darchem also included an express commitment for suppliers to comply with the Modern Slavery Act or equivalent national legislation for our supplier base offshore from the United Kingdom. This has been implemented into our standard Terms & Conditions.

Key performance indicators

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply if no reports are received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

Training

Darchem employees complete Combating Trafficking in Persons General Awareness Training every three years, in addition to annual refresher training during the interim years.

The Senior Leadership Team of Darchem recognises the importance of the provisions of the Modern Slavery Act 2015 and the Directors aim to ensure that slavery and human trafficking have no part in the company's operations and supply chain. Darchem has always been vigilant amount employee welfare and aims to be transparent in its practices. We welcome the opportunity to state our firm commitment to a zero-tolerance approach to modern slavery and human trafficking.

Name: William Meijer

Position: President

Signature:



Date: 29.3.19