

2018 Anti-Slavery and Human Trafficking Statement

In compliance with Section 54 of the Modern Slavery Act 2015, this statement sets out the steps Cobham has taken during the financial year ending 31 December 2018 to 'ensure that slavery and human trafficking is not taking place in any of its supply chains, and in any part of its own business'¹. The statement covers Cobham Group companies.

Cobham's Organisational Structure, Business and Supply Chains

Cobham offers technologies and services across defence, aerospace and space markets. In 2018 the business continued to operate in four Sectors supported by Head Office Executive and Functional management:

Cobham Advanced Electronic Solutions ("CAES") provides critical solutions for communication on land, sea, in the air and in space through off-the shelf and customised products including radio frequency, microwave, and high reliability microelectronics, antenna subsystems and motion control solutions. CAES primarily operates from the USA with small operations in Mexico, Sweden and the UK;

Cobham Communications and Connectivity ("CCC") provides high performance equipment and solutions to enable reliable connectivity across a range of demanding environments in aerospace, avionics, satellite and radio, wireless and mobile connectivity markets. CCC has operating locations in Denmark, Finland, France, South Africa, Sweden, UK and the USA. Smaller product development and sales operations are based in China, Germany, India, Ireland, Japan, Russia, Singapore and the United Arab Emirates;

Cobham Mission Systems ("CMS") provides safety and survival systems for extreme environments, aerial refuelling systems and wing-tip to wing-tip mission systems for fast jets, transport aircraft and rotorcraft. CMS has operations in the UK and the USA; and

Cobham Aviation Services delivers outsourced aviation services for customers worldwide, including military training, special mission flight operations, outsourced commercial aviation (including fly-in, fly-out services to the natural resources industry) and aircraft engineering. The main operations are in Australia and the UK with smaller operations in Bahrain, Brunei, Cyprus Curacao and Papua New Guinea. With the exception of Australasia operations, the majority of the Sector's operations are attached to military services and co-located on military bases.

Cobham employs about 10, 000 people primarily in the USA, UK and Australia. Technology operations design, assemble, test and service Tier 1 platforms/fully integrated systems, Tier 2 major subsystems, Tier 3 integrated assemblies and Tier 4 components. The majority of manufacturing is outsourced. Global operations and supply chains are highly complex. Cobham has around 10,000 suppliers and other commercial third-party relationships.

Codes and policies

Cobham has issued an Anti-Slavery and Human Trafficking Policy (the "Policy") requiring the implementation of systems and controls to manage modern slavery risk in operations and supply chains. The policy was updated in 2018 and applies to all persons working for the company or on its behalf in any capacity including the supply chain. It covers expectations for employee, operations and third party due diligence, communication and training and reporting of modern slavery concerns or suspicions.

Cobham's [Code of Business Conduct](#) (the "Code") also specifically references Cobham's approach to anti-slavery and human trafficking.

¹ [Transparency in Supply Chains](#) etc. A practical guide. Guidance issued under section 54(9) of the Modern Slavery Act 2015 section 2.3.

Employees can raise concerns or suspicions on slavery or human trafficking to a supervisor or manager. They can also speak to Human Resources, an ethics champion or contact the Cobham Helpline, which is operated by an independent third party (the "Helpline") and to which reports may be submitted anonymously. Every report submitted is assessed and investigated. There were no reports of slavery or human trafficking in 2018.

Cobham has published a [Supplier Code of Conduct](#) (the "Supplier Code") providing guidance for suppliers and those wishing to work with Cobham in the future. The code covers expectations for supplier due diligence of a supplier's own operations and supply chains to ensure they are free from slavery and human trafficking.

Risk assessment and due diligence

A prioritised, risk-based due diligence approach has been developed for both internal operations and global supply chains. The approach assesses recruitment practices, geographic risk² and industrial sector risk³ against relevant legislation.

The Human Resources (HR) function is responsible for identifying potentially high risk operations. In 2018, all BUs completed a risk assessment, the results of which included the following:

- Cobham operations, depending on their location and contract provisions, were required to comply with the UK Modern Slavery Act 2015, California Transparency in Supply Chain Act 2010 and United States Federal Acquisition Regulation clause on Combating Trafficking in Persons.
- Cobham operated in several sectors identified as having high industrial sector risk, including computer and electronic product manufacturing, electrical equipment, appliance and component manufacturing, and commercial air services.
- Cobham operated in high risk locations including small operations in China, India, Russia and the United Arab Emirates, with helicopter services in Bahrain, Brunei, Curacao and Cyprus, and aircraft charter services in Papua New Guinea.

During 2018 HR risk assessments across the Group were reviewed to understand and validate BU reported processes and controls. As a result, several businesses took steps to strengthen recruitment and background checking processes.

The Procurement function is responsible for assessing global supply chain risk. Cobham initiated supply chain due diligence in 2017 through third party compliance software. All suppliers were entered into the system and screened based on level of spend, high risk locations and high risk sectors. Screened suppliers identified as potentially high risk were requested in the autumn of 2018 to complete an anti-slavery and human trafficking risk template. This campaign covered over £400million of annual spend. As of 2018 year end over 30% of such suppliers had responded to the request. In 2019 the campaign to engage high risk suppliers will continue.

Training

An Anti-Slavery and Human Trafficking training course is available on Cobham's online learning portal in English and French. It was rolled out to all employees in 2017 and in 2018 was included in new employee induction training. Ninety nine percent (99%) of employees had completed the training within the deadlines set as of 2018 year end.

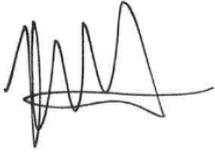
More detailed training on Anti-Slavery and Human Trafficking Policy requirements is also offered to functions directly responsible for policy implementation (i.e. human resources, procurement, contracts and commercial). Refresher training was provided to all such functions during 2018, with 100% attendance.

² US State Department annual Human Trafficking Report and the Global Slavery Index Country rankings

³ Verite report on Strengthening Protections against Trafficking in Persons in Federal and Corporate Supply Chains sector analysis.

Suppliers are able to access educational resources on human trafficking, which are provided as a free service through our third party provider supplier compliance management tool.

Signed:

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

David Lockwood
Chief Executive Officer
2019