SAFRAN NACELLES LIMITED SLAVERY AND HUMAN TRAFFICKING STATEMENT
FOR FINANCIAL YEAR ENDING 2018

STATEMENT FROM MANAGING DIRECTOR

As a business we are committed to doing all we can to combat slavery and human trafficking. We have updated our company policies and procedures and put systems in place which reflect our zero tolerance approach. We have contacted every product supplier we do business with to certify that they mirror our values and complement our stance on this issue. We have delivered training which has been designed to embed the awareness and understanding required to advance a company culture where a clear and robust stance against modern day slavery and human trafficking is maintained.

Michael Rigalle [SIGNATURE]

ORGANISATION STRUCTURE

SAFRAN Nacelles Limited ("We") are a manufacturer of aircraft engine nacelle systems in the Aerospace sector. We are a part of SAFRAN Nacelles Group ("The Group"), and our ultimate parent company is Safran SA ("Safran"). The Group has over 3000 employees worldwide and operates in eight different countries. At the UK site we employ over 600 people and are located in Burnley, Lancashire.

The Group has a global annual turnover of approximately £1.5 Billion. We have an annual turnover of approximately £180 Million.

OUR BUSINESS

Our business is organised into three operational business units of production: Assembly, Sheet Metal and Composites. These operational business units are supported by various departments: Finance, Purchasing, Human Resources, Quality, Engineering and Programme.

OUR SUPPLY CHAINS

SAFRAN Nacelles Burnley supply chain comprises approximately 100 product suppliers. These companies are based in the UK, the US and the EU. All our product suppliers are subject to an approvals process before they are permitted to supply products to us. Many hold international quality standards and accreditations and are regularly audited both by the issuing authorities and ourselves to ensure ongoing compliance to quality standards and other regulatory requirements. In addition, we have 300 non-product suppliers who are managed by Safran UK. These suppliers are subject to similar due diligence processes.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

SAFRAN Nacelles Limited
Registered Office: Bancroft Road, Burnley, Lancashire BB10 2TQ Registered No 2344610

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SAFRAN NACELLES

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We have created a new Anti-slavery policy that reflects our commitment to acting ethically and with integrity in all our business relationships and to implement and audit effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk we will contact all our tier one product suppliers and ask them to respond with details of their due diligence procedures both for internal compliance and within their own supply chains.

We will put in place processes to:

- Identify and assess potential risk areas in our supply chains.
- Monitor and mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Safeguard whistle-blowers.

SUPPLIER ADHERENCE TO OUR VALUES

We have a zero tolerance stance on slavery and human trafficking. To ensure our suppliers and contractors comply with our values we will put in place a supply chain compliance programme. This will consist of several steps:

1. Identify, rank and filter current product suppliers in terms of risk
2. Issue questionnaires
3. Review responses
4. Generate KPIs
5. Develop action plans to deal with risky Suppliers and non-respondents

We have a cross-functional compliance team which consists of senior managers from the following departments: Human Resources, Supply Chain Risk & Compliance, Purchasing, Programmes.

This team will co-ordinate all the necessary activities to ensure SAFRAN Nacelles Ltd complies with the requirements of the Act.

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking, we will provide training to our senior leadership team and external facing teams. Training will be reviewed on an annual basis with new members of the management and external facing teams being trained within the first 12 months of starting with the company. Members of the Procurement Team will be required to undertake an annual external training, examination and accreditation process provided by CIPS (Chartered Institute of Purchasing and Supply) to ensure the relevant professional standards are being met.

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

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We will use the following key performance indicators (KPIs) to measure how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains:

- Names of the senior leaders and the members of the external facing teams trained
- CIPS accreditation status of the Purchasing team
- Number of Suppliers contacted
- Number of Suppliers responded
- Number of Suppliers confirming their organisations are slavery and human trafficking free
- Number of Suppliers confirming their 1st tier suppliers are slavery and human trafficking free
- Number of Suppliers confirming their lower tier suppliers are slavery and human trafficking free

These KPIs are monitored and updated on a monthly basis. The latest KPIs are available upon request.

FURTHER STEPS

We will periodically review the effectiveness of the steps we have taken to ensure there is no slavery or human trafficking in our supply chains, by continuously improving any policies, procedures and systems that we have implemented.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes SAFRAN Nacelles Limited’s slavery and human trafficking statement for the financial year ending 2018.

[signature]

[SIGNATURE DIRECTOR]

SAFRAN Nacelles Limited

[DATE] 07-01-2019