

TRANSDIGM GROUP INC.

# STAKEHOLDER REPORT

# 2024

Published March 2025



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# Letter From Our President and CEO

Dear Readers,

Thank you for your steadfast trust and support of TransDigm. 2024 was an excellent year, and we have much to be proud of as we reflect on our strong operational and financial performance, as well as the ongoing refinements to our sustainability and corporate citizenship programs and initiatives.

Our consistent, value-driven operating strategy continues to drive success for TransDigm. TransDigm’s core strategy remains focused on owning and operating proprietary aerospace businesses with significant aftermarket content. This disciplined, well-proven operating strategy provides stability throughout the aerospace cycle. Our long-standing goal is to create long-term, sustainable value for all stakeholders. With unwavering dedication to delivering quality products and outstanding customer service, our 51 operating units serve as the frontline of that value creation for TransDigm.

We delivered strong financial results in fiscal 2024. In fiscal 2024, we generated net sales of \$7.9 billion and EBITDA As Defined of \$4.2 billion, representing 21% and 23% growth, respectively. Our financial results were fueled by our competitive strengths, commitment to our value-based operating methodology and effective cost management. We remain focused on our strategic value drivers, operational excellence and disciplined acquisition strategy in order to continue delivering consistent results as we go forward into fiscal 2025 and beyond.

Our workforce of committed and talented employees is our greatest asset, and their contributions are essential to our success. Our employees focus on safety and invariably deliver innovative, highly engineered products of the highest quality. We are dedicated to fostering an environment where our employees feel valued, respected and supported in their growth. Ensuring their safety and well-being remains a priority, and I am immensely proud of our team’s hard work and dedication.

In 2024, we made further refinements and achievements in regards to our efficiency initiatives, reaffirming our belief that financial success is compatible with responsible and sustainable operations. We continue to explore new ways to minimize our environmental footprint. Our goal is to reduce absolute Scope 1 and Scope 2 greenhouse gas (GHG) emissions by at least 50%. We are actively working towards achieving that goal across our operating units. We maintain a proactive approach to environmental concerns and continue to enhance sustainability initiatives.

We also strive to foster a strong and vibrant workforce and to strengthen our ties with the many communities in which we operate. We are proud to have continued to expand our Doug Peacock Scholarship Program and other philanthropic initiatives with our community partners. At both the corporate and operating unit levels, community engagement is important to TransDigm. We are proud to

support initiatives such as the TransDigm Advanced Manufacturing Training Laboratory at Cleveland State University. The lab will provide Cleveland State students with hands-on learning experiences and exposure to cutting-edge technologies. The lab will be a key resource for students and industry professionals alike, fostering innovation and practical skills in manufacturing. This initiative highlights our commitment to fostering future leaders in engineering and manufacturing, showcasing our dedication to both educational excellence and meaningful community engagement.

Throughout 2024, we remained dedicated to upholding strong corporate governance and ethical business practices – cornerstones of any successful and responsible organization. Additionally, we took further steps to strengthen our cybersecurity measures, safeguarding sensitive data and ensuring seamless business operations. Our cybersecurity program is continuously updated to stay aligned with evolving security standards and emerging threats.

Our journey in 2024 was marked by adaptability, resilience and strategic growth. The operational and financial milestones reached in 2024, along with our continued energy efficiency and corporate citizenship efforts, are a testament to our collective dedication to our consistent operating strategy, innovation and continuous improvement. As we step into 2025, we do so with confidence, driven by a clear vision, a well-proven strategy and a strong commitment to creating a positive impact on the communities in which we operate.

I would like to express my sincere gratitude to our team, our partners and you—our valued stakeholders—for your continued support and trust. We eagerly look forward to another year of delivering world-class products, driving sustainable growth and creating lasting value for all those we serve.



**Kevin Stein**  
President and CEO

# About TransDigm

For over 30 years, TransDigm has been a trusted leader in the aerospace industry, specializing in the design, production and supply of highly engineered aircraft components that are critical to the safe and effective operation of nearly all commercial and military aircraft worldwide. Our commitment to innovation and precision engineering supports the global aviation sector's highest standards of safety and reliability. We employ thousands of Americans in the aerospace and defense industry at our 82 U.S. manufacturing facilities, in addition to thousands of employees at our overseas operations. Our employees are dedicated to engineering proprietary products that keep the world's commercial airlines operational and provide crucial support to military personnel worldwide.

Today, TransDigm is comprised of 51 independent operating units, each functioning autonomously to develop customized products tailored to meet the specific needs of aircraft operators and manufacturers. While each unit follows its own specific market strategy, all are united in their dedication to delivering high-quality, reliable products efficiently and on time.

**TRANSDIGM HAS A REPUTATION FOR HIGH-QUALITY, RELIABLE PRODUCTS AND ROBUST CUSTOMER SUPPORT.**

Our product portfolio is diverse, covering a vast array of essential components pivotal to commercial aerospace and defense platforms, as well as other products. For example, TransDigm's operating units produce products such as aircraft seatbelts and cockpit security systems that keep passengers and pilots safe; parachutes that protect military personnel; and specialized equipment for National Aeronautics and Space Administration's ("NASA") space telescopes, aiding in space exploration and scientific advancement.

Through our disciplined operating strategy, we focus on creating value by targeting profitable new business acquisitions, enhancing productivity, introducing cost efficiencies and providing highly engineered, value-added products to customers. This approach fosters long-term customer relationships based on quality, reliability and safety. We also maintain a selective acquisition strategy, concentrating on proprietary commercial aerospace component businesses with significant aftermarket content, where we see a clear path to value creation. Since our founding in 1993, we have acquired 93 businesses and product lines. Our steadfast adherence to our operating strategy has delivered consistent

financial performance through all phases of the aerospace industry and has provided private-equity-like returns with the liquidity of a public market.

**TRANSDIGM'S PRODUCTS ARE REPRESENTED IN NEARLY EVERY COMMERCIAL AND MILITARY AIRCRAFT IN SERVICE TODAY.**



## TRANSDIGM AT A GLANCE

~16,600

Global Employees

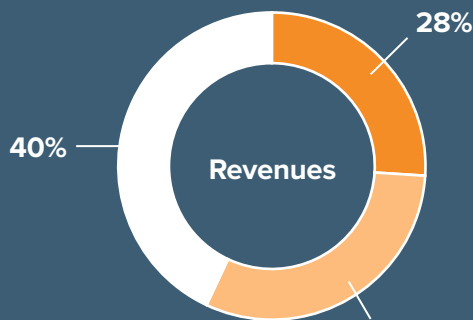
51

Independent Operating  
Units Around the Globe

~120

Global Manufacturing  
Locations

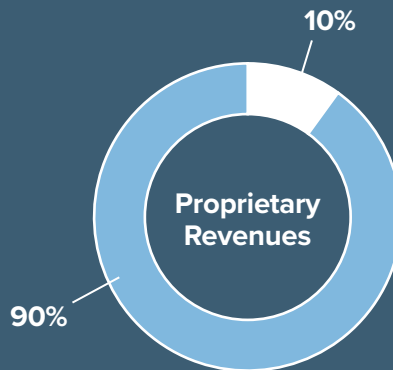
## TRANSDIGM BY THE NUMBERS



- Commercial OEM\*
- Commercial Aftermarket
- Defense



- Aftermarket
- OEM



- Proprietary Products
- Non-proprietary Products

## EXTENSIVE PRESENCE IN NORTH AMERICA WITH DEEP INVESTMENTS IN THE AMERICAN MANUFACTURING BASE

82

U.S. Manufacturing  
Locations

23

U.S. States

9K+

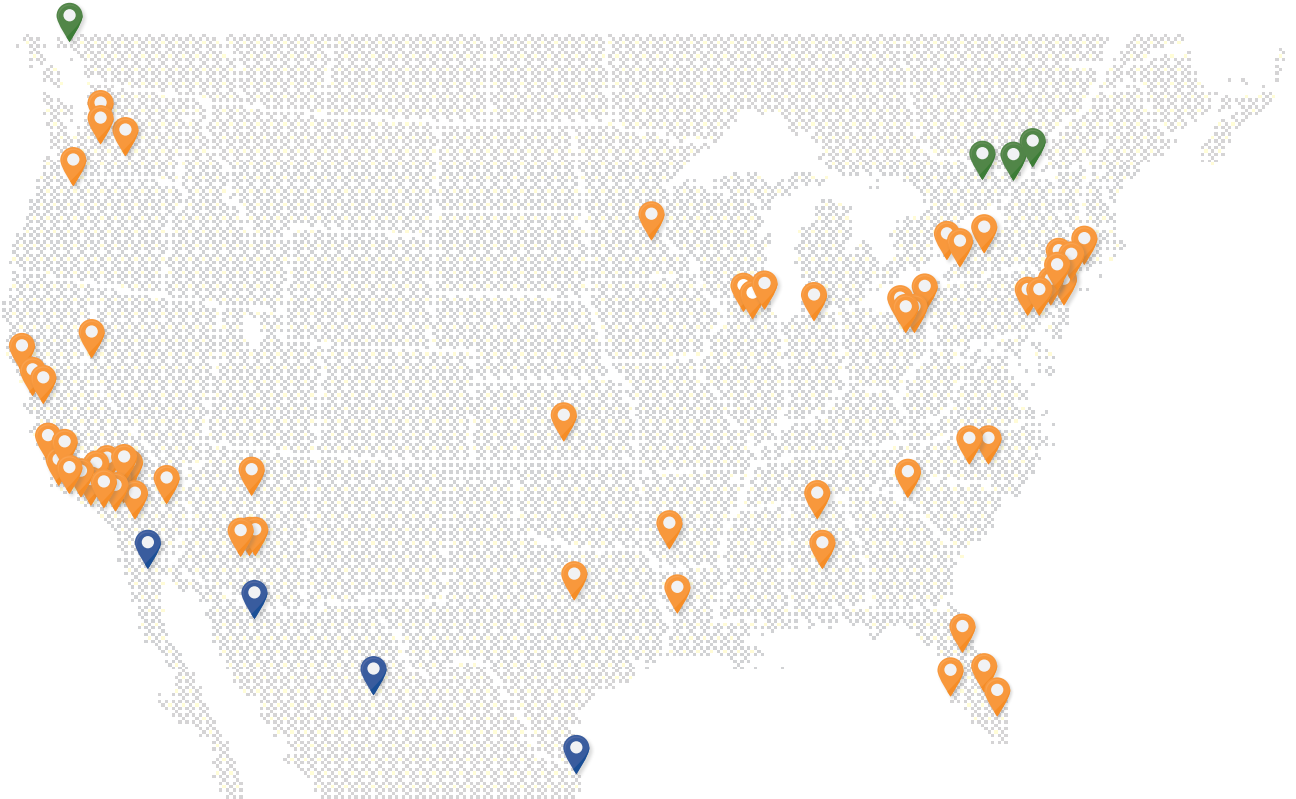
Jobs Supported in  
the U.S.

\*Original equipment manufacturer ("OEM")

\*\*Earnings before interest, taxes, depreciation and amortization ("EBITDA") as Defined is a non-GAAP financial measure. For a presentation of the most directly comparable GAAP measures and a historical reconciliation of EBITDA As Defined to Net Income, please see the appendix.

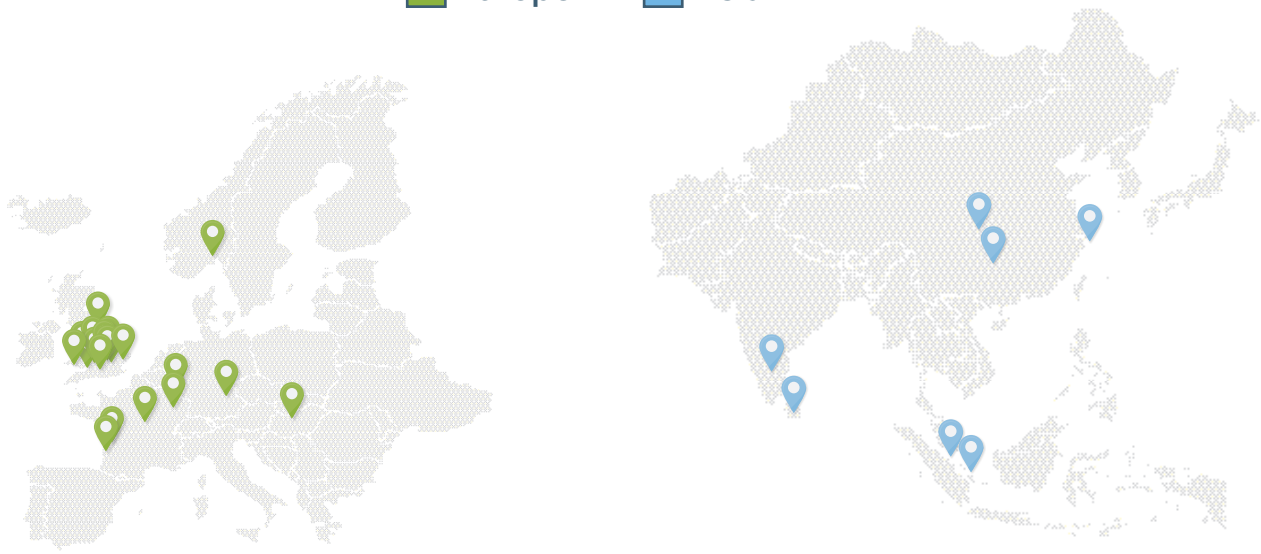
## EXTENSIVE PRESENCE IN NORTH AMERICA WITH DEEP INVESTMENTS IN THE AMERICAN MANUFACTURING BASE

U.S. Mexico Canada



## BROAD FOOTPRINT IN THE U.S. SUPPLEMENTED BY INTERNATIONAL OPERATING UNITS AND GLOBAL MANUFACTURING LOCATIONS

Europe Asia



# PRODUCT OFFERINGS

TransDigm's major offerings include a range of highly-engineered products manufactured by our operating units.



Advanced sensor products



Aircraft, audio, radio and antenna systems



Batteries, chargers and power conditioning systems



Cargo loading, handling and delivery system



Cockpit security components and systems



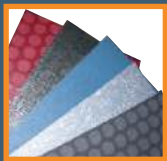
Complex Testing and Instrumentation



Databus and power controls



Electronic components used in the generation and transmission of microwave signals



Engineered and customized interior surfaces and related components



Engineered connectors and elastomer sealing solutions



Engineered latching and locking devices



Engineered rods



High performance hoists, winches and lifting devices



Ignition systems



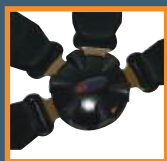
Lighting and control technology



Mechanical/electro-mechanical actuators and controls



Parachutes



Seatbelts and safety restraints



Specialized AC/DC electric motors and generators



Specialized and advanced cockpit displays



Specialized flight, wind tunnel and jet engine testing services and equipment



Specialized lavatory components



Specialized pumps and valves



Switches and relay panels



# 2024 Review

In fiscal 2024, TransDigm continued to achieve steady, long-term growth in sales and improvements in operating performance. In fiscal 2024, we generated net sales of \$7.9 billion and EBITDA As Defined of \$4.2 billion, representing 21% and 23% growth, respectively. We also closed over \$2.3 billion in acquisitions, making fiscal 2024 our second most acquisitive year. We were pleased to welcome the CPI Electron Device Business, Raptor Scientific, and SEI Industries to TransDigm. In addition to deploying capital for accretive acquisitions, we returned value to our shareholders through a special dividend of \$35.00 per share in fiscal 2024 for a total of \$1.9 billion. Prior to the end of fiscal 2024, we announced a \$4.3 billion return of capital to our shareholders via a special dividend of \$75.00 per share, which was paid early in our fiscal 2025.

Throughout fiscal 2024, the commercial aerospace market continued to recover from the adverse effects of the COVID-19 pandemic. Since February 2024, both domestic and international revenue passenger kilometers (“RPKs”), a metric used to measure air traffic demand, have surpassed 2019 (i.e., pre-pandemic) levels and have remained on a steady growth trend. Domestic air traffic led this recovery, with most nations across the globe approaching or surpassing pre-pandemic levels. International air traffic, though slower to recover, also made steady progress in 2024. Current industry consensus expects RPK growth to further expand in 2025.

In the commercial original equipment manufacturer (“OEM”) market during fiscal 2024, sales improved due to increased aircraft production by Boeing and Airbus. However, despite strong airline demand for new planes and OEMs working

to increase aircraft production, production rates remain well below pre-pandemic levels due to ongoing struggles in the OEM supply chain. Fiscal 2025 shipments are anticipated to align with the projected 2025 and 2026 production rates for Boeing and Airbus, but due to the aforementioned factors, it is difficult to accurately predict OEM build rates for 2025.

In the defense market, sales in fiscal 2024 came in stronger than the prior year, driven by rising U.S. government defense spend outlays. Department of Defense (“DOD”) budgets have trended upwards as geopolitical challenges such as certain ongoing world conflicts, and military modernization efforts are driving demand. However, future defense spending outlook remains uncertain for a variety of reasons including government funding reprioritization and delays in government outlays.

Throughout 2024, we remained committed to our proven operating methodology, key value drivers, effective cost management, and disciplined acquisition strategy. We diligently focus on managing the factors within our control and efficiently responding to those that are not. The strong efforts and accomplishments of our teams during this fiscal year (“FY”) were outstanding. Our teams continually provide our customers the highest quality products and services, while also delivering exceptional operational performance.

In addition to driving financial and operating performance, in 2024, we remained committed to minimizing our environmental impact, creating a strong and vibrant workforce and, as always, ensuring that we operate our business responsibly across all areas.

## FY 2023 AND FY 2024 FINANCIAL AND OPERATIONAL HIGHLIGHTS

	2023	2024
Revenue	\$6.6B	\$7.9B
% Generated by Aftermarket Sales	56%	55%
EBITDA As Defined*	\$3.4B	\$4.2B
Total Enterprise Value	\$79B**	\$99B***
Total Assets	\$20.0B	\$25.6B
5-Year Total Shareholder Return	~148%	~191%

\*EBITDA As Defined is a non-GAAP financial measure. For a presentation of the most directly comparable GAAP measures and a historical reconciliation of EBITDA As Defined to Net Income, please see the appendix.

\*\*The total enterprise value was calculated as of 1/31/2024.

\*\*\*The total enterprise value was calculated as of 1/31/2025.





## STRATEGIC MERGERS AND ACQUISITIONS UPDATE

Mergers and acquisitions (“M&A”) continue to play a pivotal in our operating strategy, as we actively pursue opportunities that align with our criteria—proprietary aerospace businesses with significant aftermarket content.

In May 2024, we acquired SEI Industries Ltd. (“SEI”), for approximately \$170 million in cash. SEI, headquartered in Delta, British Columbia, is a leading provider of highly engineered products for aerial firefighting and other liquid transportation solutions, such as remote refueling. Their innovative and world renowned Bambi Bucket®, is a proprietary collapsible firefighting bucket used across the globe to combat forest fires, among other applications. SEI provides exceptional aftermarket support of the Bambi Bucket® through its 12 international repair facilities. SEI’s revenues are derived from both the commercial and defense aerospace end markets, with about 85% of the revenues coming from the aftermarket. Subsequent to the acquisition, SEI was bolted onto one of our existing operating units – DART Aerospace.

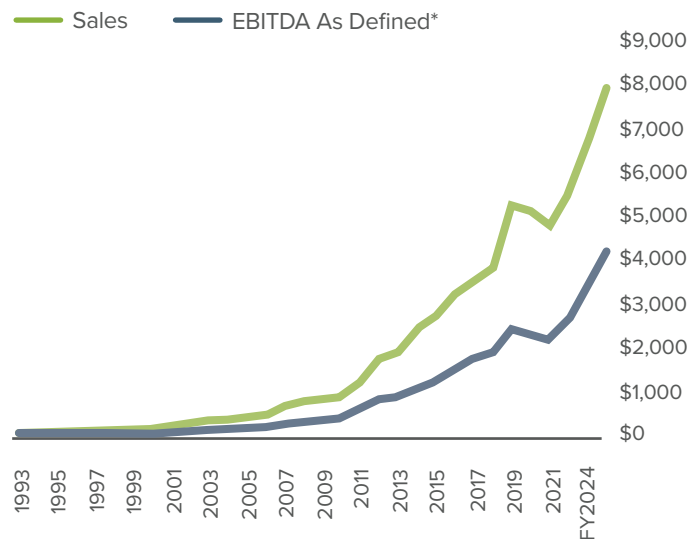
In June 2024, we completed our acquisition of the CPI Electron Device Business for approximately \$1.385 billion in cash. The CPI Electron Device Business is a leading global manufacturer of electronic components and subsystems, primarily serving the aerospace and defense markets. This business’s products are highly-engineered, proprietary components with significant aftermarket content. Approximately 70% of its revenue is derived from the aftermarket and nearly all of its revenue is generated from proprietary products. Subsequent to the acquisition of the CPI Electron Device Business, we split the business into two operating units - Microwave Power Products located in Palo Alto and Woodland, California and CPI Electron Device Business located in Beverly, Massachusetts and Middlesex, UK.

In July 2024, TransDigm completed the acquisition of Raptor Scientific (“Raptor”) for approximately \$655 million in cash. Raptor is a leading global manufacturer of complex test and measurement solutions primarily serving the aerospace and defense end markets. Raptor’s products are highly engineered, proprietary components with significant aftermarket content and a strong presence across major aerospace and defense platforms. Nearly all of Raptor’s revenue is generated from proprietary products. Raptor has manufacturing locations in Livermore, California; Woodland Hills, California; Berlin, Connecticut; Huntsville, Alabama; and Peterborough, New Hampshire.

These strategic acquisitions are aligned with our disciplined approach of targeting proprietary businesses with high aftermarket content. The integration of each acquisition has progressed well under the leadership of one of our experienced TransDigm executive vice presidents (EVP). We remain focused on identifying and integrating businesses that meet our criteria and create long-term value for our stakeholders.

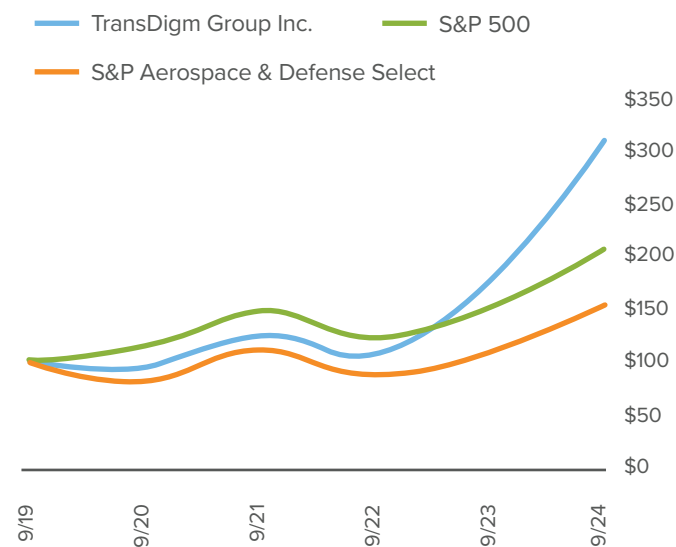
## UNPARALLELED TRACK RECORD OF CONSISTENT GROWTH

### Sales and EBITDA As Defined (in millions)



### Comparison of 5 Year Cumulative Total Return\*\*

Among TransDigm Group Inc, the S&P 500 Index and the S&P Aerospace & Defense Select Index



\*EBITDA As Defined is a non-GAAP financial measure. For a presentation of the most directly comparable GAAP measures and a historical reconciliation of EBITDA As Defined to Net Income, please see the appendix.

\*\*\$100 invested on 9/30/19 in stock or index, including reinvestment of dividends. FY ending September 30. Copyright© 2024 Standard & Poor’s, a division of S&P Global. All rights reserved.



# Our Commitment to Sustainability

## COMMITMENT TO SUSTAINABILITY PRIORITIES AND VALUES

Our commitment to delivering value for shareholders is matched by our dedication to supporting the well-being of our employees, communities and the environment. This commitment is guided by a structured approach overseen by our Nominating & Corporate Governance Committee, which plays a vital role in supervising our efficiency initiatives and ensuring their alignment with our efficiency vision. Each year, the Committee conducts a comprehensive assessment of TransDigm’s risks, including those related to environmental risk management.

We engage proactively with stakeholders year-round, gathering their perspectives on a variety of issues, including Company performance, strategic direction, corporate governance, executive compensation and sustainability-related opportunities and challenges. This ongoing dialogue, combined with our annual risk assessment, helps shape and refine our sustainability strategy.

In 2024, we continued to demonstrate our commitment to environmental sustainability, strong human capital management practices and community engagement through a range of initiatives. Our efforts included working to reduce the environmental impact of our operations, fostering a strong and vibrant workforce, supporting underrepresented students and assisting veterans in transitioning to civilian employment. As we look ahead, we remain focused on implementing initiatives that create long-term value for all stakeholders.





# SUSTAINABILITY HIGHLIGHTS

As a global organization operating more than 120 manufacturing facilities worldwide, we take our corporate responsibility seriously. In 2024, we continued to make efforts toward our goal of becoming a more sustainable and responsible company.



As a global organization operating more than **120 manufacturing facilities worldwide**, we take our corporate responsibility seriously. In 2024, we continued to make efforts toward our goal of becoming a more sustainable and responsible company.



Implementing an **Overboarding policy** for the TransDigm Board members



Continuing to fund a **STEM-focused TransDigm Group Learning Center** at the GLSC that brings programming to under resourced and underrepresented youth in Cleveland



Committing over **\$1 million in support of programs at Cleveland State University** to advance education and innovation including the establishment of the TransDigm Group Manufacturing Training Laboratory



Progressing toward our commitment of a **50% reduction in Scope 1 and Scope 2 emissions** through energy efficiency initiatives and other actions



Supporting manufacturing growth in Northeast Ohio through our multi-year commitment of financial support to the **Manufacturing Advocacy and Growth Network ("MAGNET")**



Under the Doug Peacock Scholarship Program, committing to award **~2,600 scholarships** to underprivileged and underrepresented youth by 2028



Receiving the **Corporate Beacon Award from Rochester Institute of Technology (RIT)**

in recognition of TransDigm's work to enhance representation both on and off the RIT campus



Completing **2024 enterprise-wide GHG inventory** for Scope 1 and Scope 2 emissions, along with enterprise-wide aggregation of water consumption



## PRODUCT HIGHLIGHTS — EFFICIENCY INITIATIVES

### Making Products More Efficient

#### BRUSHLESS DC MOTOR



Electromech’s Brushless DC Motors are now integrated into a next-generation platform, delivering unparalleled reliability for critical weapons systems. Designed for high-efficiency and precision, they feature integrated electronics that enhance performance and reduce maintenance requirements. Lightweight and durable, these motors ensure consistent operation in demanding environments, providing the reliability and endurance essential for mission-critical applications.



#### SUSTAINABLE TEXTURED FINISH



Pexco Aerospace’s Sustainable Textured Finish (“STF”) is a pioneering material designed to promote environmental responsibility within the aviation industry. Made entirely from reclaimed aircraft interior materials, STF minimizes waste, supports circularity, and reduces CO<sub>2</sub> emissions by up to 1.32 kg per kilogram of material—a 60% reduction compared to traditional plastics. This innovative material requires up to 80% less energy to produce than virgin plastics and offers exceptional durability, aesthetic versatility, and compliance with aviation standards. The manufacturing process includes sorting, cleaning, and transforming reclaimed materials into certified resin systems for cabin components like seat track covers and rub strips.

In its first phase, STF is projected to replace up to 100 metric tons of virgin plastic, significantly reducing emissions and diverting end-of-life materials from landfills. While minor emissions result from transporting materials for processing, these are vastly outweighed by the benefits of waste reduction and emission savings. This initiative allows airlines and manufacturers to reduce their environmental footprint while maintaining high-quality cabin components.

#### T-8 LED REPLACEMENT LAMPS



Bruce Aerospace, a leading provider of aircraft interior lighting solutions, is launching a T-8 LED solution for the aerospace industry. These products are designed to be a true low-cost plug-and-play replacement for the T-8 fluorescent OEM cabin lighting currently on many regional aircraft platforms, allowing the airline to realize significant power and weight savings while creating a superior passenger experience. Bruce’s T-8 products are 60% more efficient and 20% lighter than their standard fluorescent equivalents, with an MTBF of over 100,000 hours, more than 10 times the lifespan of the original equipment.





# Governance and Responsible Business Practices

## CORPORATE GOVERNANCE

TransDigm’s independent and seasoned Board plays an essential role in guiding our management team and shaping our strategic direction. Through their oversight, we remain focused on creating sustained value for our shareholders while upholding high standards of responsible business conduct. In 2024, we refreshed our Corporate Governance Guidelines to reinforce our commitment to best practices and to adapt to the evolving needs of our stakeholders.

These guidelines provide a strong foundation for effective governance, defining the responsibilities and expectations for our Board members. In 2024, we adopted a new Political Contributions Policy to further clarify and strengthen our commitment to ethical engagement in the political process. This policy ensures that all political activities are conducted transparently and are in full compliance with the stringent guidelines we uphold as a leader in aerospace component manufacturing.

We prioritize regular assessments of the Board’s composition to maintain a well-rounded mix of expertise and viewpoints. The collective skills, array of experiences and unique perspectives our Board members bring are instrumental to our success. Each year, the Board and its committees—including the Audit, Compensation and Nominating & Corporate Governance Committees—conduct self-assessments to proactively identify and address any governance gaps or emerging issues.

Our key governance documents, including our Corporate Governance Guidelines, are readily accessible at [www.transdigm.com/investor-relations/corporate-governance](http://www.transdigm.com/investor-relations/corporate-governance).

### KEY GOVERNANCE ELEMENTS

- ACTION**  
by written consent
- SEPARATE**  
Chairman and CEO roles
- DIRECTORS**  
stand for annual election
- PROXY ACCESS**  
for qualifying shareholders
- STRONG BOARD INDEPENDENCE**  
8 of 10 independent directors
- LEAD INDEPENDENT DIRECTOR**  
appointed in 2023
- SHAREHOLDER RIGHT**  
to call a special meeting

### Role of the Board of Directors

TransDigm’s Board is responsible for guiding the CEO and senior management to ensure effective and ethical operations that align with the long-term interests of our shareholders. Board members are committed to upholding high standards of responsibility and integrity, fostering a culture that drives sustainable business success. In 2024, the Board convened 4 times, with each Board member participating in at least 75% of these meetings, including committee sessions.

### Composition of the Board and its Committees

The Board firmly believes that having separate Chair and CEO roles strengthens its ability to fulfill responsibilities to TransDigm’s shareholders while providing effective oversight of management. This structure enables the CEO to focus on daily operations, while the Chair brings expertise in capital allocation, acquisitions and strategic vision, fostering Board-level accountability and a strong organizational culture.

All but two Board members meet the independence standards set by the New York Stock Exchange (“NYSE”). Members of the Board’s committees are also independent under NYSE and Securities and Exchange Commission (“SEC”) guidelines, with Audit Committee members satisfying additional independence requirements under Rule 10A-3(b)(1) of the Exchange Act.



## COMMITTEE RESPONSIBILITIES

### Audit Committee

The Audit Committee oversees issues regarding accounting and financial reporting processes and audits of TransDigm’s financial statements; assists the Board in monitoring the integrity of TransDigm’s financial statements, compliance with legal and regulatory requirements, independent auditor’s qualifications, and independence and the performance of TransDigm’s internal audit function and independent auditors; is responsible for the appointment, compensation, retention, termination, and oversight of the work of TransDigm’s independent auditors; and provides a forum for consideration of matters relating to audit issues, enterprise risk management, and cybersecurity. In 2024, the Audit Committee met 8 times to carry out these responsibilities.

### Compensation Committee

The Compensation Committee discharges the Board’s responsibilities relating to compensation of TransDigm executives and directors; oversees TransDigm’s compensation and employee benefit plans and practices; and has sole discretion concerning administration of TransDigm’s stock option plans, including selection of individuals to receive awards, types of awards, the terms and conditions of the awards, and the time at which awards will be granted, other than awards to directors, which are approved by the full Board. To the extent permitted under NYSE listing standards and applicable law, the Compensation Committee may delegate its power and authority as it deems appropriate to subcommittees of no fewer than two members that it may form from time to time. The Compensation Committee may also delegate certain of its authority pursuant to the terms

of TransDigm’s stock option plans to one or more officers or other employees of TransDigm, subject to NYSE listing standards, applicable law, and the terms of such plans. In 2024, the Compensation Committee met 5 times to fulfill its responsibilities.

### Nominating & Corporate Governance Committee

The Nominating and Corporate Governance Committee’s duties and responsibilities include overseeing and assisting the Board in identifying and recommending nominees for election as directors; recommending to the Board qualifications for committee membership, structure, and operation; recommending to the Board directors to serve on each committee; developing and recommending to the Board corporate governance policies and procedures; providing oversight with respect to corporate governance; leading the Board in its annual performance review of the Board and management; overseeing TransDigm’s succession planning; and overseeing TransDigm’s sustainability and corporate citizenship initiatives. For more details on TransDigm’s environmental risk oversight, please refer to page 17. In 2024, the Nominating & Corporate Governance Committee met 4 times to carry out its responsibilities.

For more detailed information on TransDigm’s committee functions and responsibilities, please refer to our Committee Charters, available at <https://www.transdigm.com/investor-relations/corporate-governance/>.





## Areas of Board and Committee Oversight in 2024

	Audit Committee	Compensation Committee	Nominating & Corporate Governance Committee	Full Board of Directors
Corporate Strategy				●
Enterprise Risk Management	●			●
Cybersecurity	●			●
Legal and Regulatory Compliance	●			●
Sustainability and Corporate Citizenship			●	●
Representation and Community			●	●
Succession Planning		●	●	●
Human Capital Management		●	●	●
Corporate Governance			●	●



## Corporate Governance Policies and Practices

TransDigm’s governance framework is designed to foster principled actions, informed and effective decision-making and appropriate compliance and performance monitoring. Key elements of our governance framework include:

- 
**SEPARATION OF CHAIRMAN AND CEO ROLES**  
 We have a separate Chairman and CEO.
- 
**LEAD INDEPENDENT DIRECTOR**  
 We appointed a Lead Independent Director in 2023 to further align with market best practices.
- 
**OVERBOARDING POLICY**  
 Directors may be on a total of three public boards (total of two boards for TransDigm NEOs) inclusive of TransDigm.
- 
**RETIREMENT POLICY**  
 Directors are required to retire from the Board when they reach age 75, subject to waiver by the Board.
- 
**ANNUAL DIRECTOR ELECTIONS**  
 All directors are elected annually for a one-year term.
- 
**PROXY ACCESS**  
 Up to 20 shareholders owning at least 3% of outstanding common stock continuously for three years may nominate the greater of two directors or 20% of the Board seats.
- 
**PROHIBITIONS ON HEDGING, PLEDGING AND SHORT SELLING**  
 We prohibit short sales, transactions in derivatives, hedging and pledging of TransDigm securities by all directors, officers and employees.
- 
**STOCK OWNERSHIP GUIDELINES**  
 We have robust equity ownership guidelines for our directors, officers and management employees, including six times salary for CEO and three times salary for the other NEOs.
- 
**SUCCESSION PLANNING**  
 Our Board regularly reviews executive succession planning.
- 
**ANNUAL BOARD AND COMMITTEE SELF-EVALUATIONS**  
 Our Board and Committees conduct annual performance self-evaluations to assess Board performance.

## RESOURCES\*

- [Audit Committee Charter](#)
  - [Compensation Committee Charter](#)
  - [Nominating & Corporate Governance Committee Charter](#)
  - [Corporate Governance Guidelines](#)
  - [Code of Ethics for Senior Financial Officers](#)
  - [Code of Business Conduct and Ethics](#)
  - [Whistleblower Policy](#)
  - [Policy on Political Contributions and Engagement](#)
- \*Resources can be found at: [www.transdigm.com](http://www.transdigm.com).



## EXECUTIVE COMPENSATION

Approved by the Board’s Compensation Committee, our executive compensation program is guided by clear policies, practices and principles that aim to reward the management team for achieving results aligned with our long-term strategic goals and stakeholder interests. The Compensation Committee continually adapts TransDigm’s compensation approach to reflect evolving shareholder priorities, regularly evaluating the program to determine if adjustments are warranted.

The Compensation Committee is composed entirely of independent directors whose decisions on executive compensation are based on informed business judgment. These determinations incorporate the expertise of committee members, input from an independent compensation consultant, insights from other directors, recommendations from our CEO (excluding his own compensation) and feedback from other members of management and shareholders.

A comprehensive overview of our executive compensation program is available in our 2025 Proxy Statement, dated January 24, 2025.

### Executive Compensation Policies and Practices

We are committed to sound executive compensation policies and practices, as highlighted below.

#### Equity compensation limited to performance-based options

Our stock option plans do not authorize the issuance of any full value awards, such as stock, restricted stock or other stock-based units. Our option program relies on performance-vested options with robust performance criteria; we do not issue time-vested options.

#### Prohibition on hedging, pledging and short sales

We prohibit hedging, pledging, transactions in derivatives and short sales in TransDigm securities by all employees and directors, including our named executive officers.

#### Equity ownership guidelines

We have robust equity ownership guidelines for all of our option holders, including our named executive officers.

#### Annual compensation risk assessment

The Compensation Committee conducts an annual risk assessment of our compensation program.

#### Independent compensation consultant

The Compensation Committee directly retains an independent compensation consultant.

#### Double-trigger change in control

Starting with our FY 2024 option grants, we have incorporated double-trigger change in control provisions.

#### No repricing

We do not allow repricing of stock options without shareholder approval.

#### No tax gross-ups

We do not provide for gross-ups of taxes, including in the event of a change in control or under Section 409A.

#### No evergreen employment contracts

Executive employment agreements do not contain automatic renewal provisions.

WHAT WE  
DO

WHAT WE  
DON'T  
DO





## RISK MANAGEMENT

TransDigm conducts a comprehensive annual risk assessment that identifies and prioritizes risks specific to our organization, including strategic, operational, legal, regulatory, financial and general business risks. Each year, TransDigm’s executive officers convene to discuss the Company’s material risks and potential mitigation strategies, which are then summarized and presented to the Board. The Board reviews and discusses these risks at its regularly scheduled annual meeting, ensuring that risk analysis and mitigation are seamlessly integrated into our broader risk management strategy.

In addition to this annual assessment, TransDigm’s executive officers regularly report to the Board on critical areas such as litigation, compliance, acquisitions, environmental and corporate citizenship matters and any other emerging risks. To further protect our business, we maintain risk transfer mechanisms, including insurance, disaster recovery plans and business continuity plans. Our commitment to rigorous risk management underscores our dedication to safeguarding shareholder interests, maintaining operational integrity and driving long-term value creation.

### Board Oversight of Risk Management

TransDigm’s Board works closely with the management team to proactively assess and manage the Company’s risks. To fulfill this role effectively, the Board collaborates with its committees, each of which is responsible for evaluating risks within its specific area and reporting significant risks, along with management’s response, to the full Board.

The Board maintains primary oversight of critical risk areas, including corporate strategy, while the management team oversees day-to-day risk management and provides regular updates to the Board and its committees. The Audit Committee holds primary responsibility for overseeing our Enterprise Risk Management (ERM) program, encompassing the identification, assessment, monitoring, management and mitigation of significant business risks. The Compensation Committee focuses on risks related to TransDigm’s compensation programs, ensuring they do not encourage excessive risk-taking and are aligned with the creation of long-term shareholder value.

### Environmental Risk Strategy

We continuously assess current and potential sustainability risks, including short-, medium- and long-term risks. Given that our operations are not emissions intensive (light manufacturing), our Scope 1 and Scope 2 emissions remain relatively low compared to others in the aerospace and defense industry. As a result, we do not anticipate significant adverse effects from increased carbon regulations.

Additionally, our extensive product portfolio—comprising hundreds of thousands of products—reduces the risk of overreliance on any single supplier or group that may be vulnerable to sustainability or climate-related risks. Nonetheless, we closely monitor regulatory changes that could materially impact air travel, as these may, in turn, affect our business. We remain committed to exploring ways to reduce our energy and water consumption, as well as our emissions, through energy efficiency initiatives and other actions to help manage climate-related risks.



## BUSINESS ETHICS

At TransDigm, honesty, integrity and ethical conduct are fundamental to who we are and form the bedrock of our Company culture. These values are deeply embedded throughout the organization and are upheld by everyone from the Board and senior leadership to each team member across our operating units. Managers and supervisors play a crucial role by leading with high standards and providing employees with ongoing training, education and accessible resources that support TransDigm’s commitment to ethical conduct. We continuously review our ethics program and update it as needed to reflect best practices.

Our corporate governance documents are accessible on our website at <https://www.transdigm.com> and copies are available upon request at no charge by writing to TransDigm Group Incorporated, 1350 Euclid Avenue, Suite 1600, Cleveland, Ohio, 44115. We also plan to disclose any amendments or waivers related to our Code of Business Conduct and Ethics for directors and executive officers on our website, as required by SEC regulations.

### Code of Business Conduct and Ethics

We maintain a comprehensive [Code of Business Conduct and Ethics](#) that serves as a guiding framework for all team members, regardless of position. Reviewed annually and updated as necessary, with oversight and approval from the Audit Committee, this Code sets clear expectations for conducting business legally and ethically. It covers essential areas such as conflict of interest, international trade compliance, asset protection, corporate opportunities, fair dealing, confidentiality, human rights and the reporting of illegal or unethical actions.

Our Code explicitly prohibits offering, accepting or soliciting bribes in any form, whether directly or indirectly. It also restricts the use of TransDigm funds for political contributions, barring the Company from supporting or opposing political parties or candidates, as well as reimbursing employees or others for similar donations. Furthermore, the Code affirms our commitment to fundamental human rights, strictly prohibiting human trafficking, child labor, forced labor or any form of slavery within our business practices.



### Code of Ethics for Senior Financial Officers

We uphold a specific [Code of Ethics for Senior Financial Officers](#) that sets clear ethical standards for our financial leadership, including the president and CEO, chief operating officer, chief financial officer, corporate controller, vice president of finance, treasurer, group controllers, director of internal audit, general counsel, as well as operating unit presidents and vice presidents of finance. This Code defines the principles and responsibilities guiding their professional and ethical conduct.

Only the Audit Committee or the Board may grant a waiver to this Code for a senior financial officer and any such waiver or amendment will be promptly disclosed on our website as required by applicable rules or regulations. No waivers or amendments were issued in 2024.

### Whistleblower Policy

TransDigm fosters a culture of transparency and open communication, encouraging employees to report any concerns or suspected misconduct that may negatively impact TransDigm, its customers, shareholders, employees or the public. Our [Whistleblower Policy](#) was last updated on July 24, 2024.

Guided by our policy, employees are protected from any adverse employment actions when they report potential wrongdoing in good faith. To enable the reporting of illegal or unethical behavior, we operate a 24-hour Ethics Whistleblower Hotline, offering both online and phone reporting options, while maintaining confidentiality and anonymity, where permissible by law. Local promotion of the hotline at our operating units ensures all employees are aware of this resource and we promote employee awareness through in-person and virtual training. Further information can also be found in our [Code of Business Conduct and Ethics](#).

In alignment with our commitment to maintaining ethical standards, the policy outlines procedures for reporting, investigating and addressing suspected wrongdoing. Reports are promptly reviewed by TransDigm’s compliance and legal teams, and the Audit Committee is informed of any significant findings, particularly concerning financial misconduct. For cases related to accounting or auditing concerns, employees can make anonymous reports via our third-party service Convercent, ensuring the highest degree of confidentiality.

The Audit Committee oversees the administration of this policy, supported by the General Counsel and internal auditors, to ensure consistent and fair treatment of all reported issues. Regular summaries of all reports are reviewed by the Audit Committee, which takes any necessary corrective or disciplinary action following thorough investigation.



## BUSINESS ETHICS *(continued)*

### Ethics Training

Our commitment to ethical conduct is reinforced by a comprehensive employee training and education program that supports our policies and equips our workforce with the knowledge and resources needed to uphold the highest standards of integrity.

Each year, outward-facing employees participate in ethics training, with in-person sessions provided at conferences for our sales, operations and finance teams. We also offer ethics training, including modules on anti-bribery, anti-corruption and trade compliance, to our intermediaries.

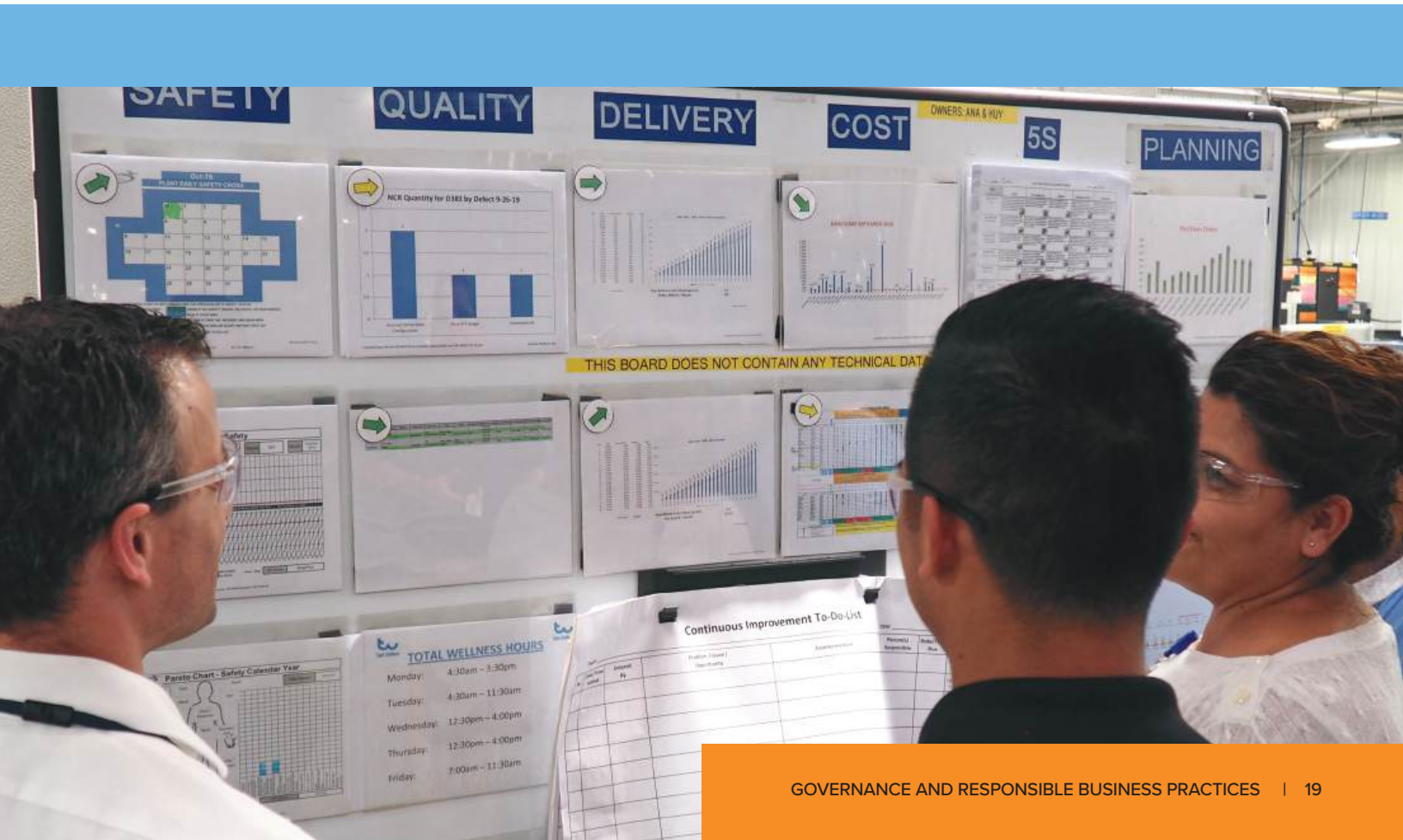
To comply with state laws, we conduct tailored sexual harassment prevention training at each of our operating units, ensuring employees at all levels understand their responsibilities in fostering a respectful workplace. Additionally, we conduct regular anti-corruption and fraud audits to strengthen our defenses against unethical practices and submit semi-annual compliance reports to the Audit Committee, underscoring our commitment to transparency and accountability.

We provide region-specific, in-person trade compliance training, addressing the unique needs of employees involved

in import/export activities. In 2024, these training sessions were conducted in the U.S. and Europe. We also use webinars to ensure consistent compliance with government regulations, particularly as they apply to our operating units' government contracts.

We continually assess the effectiveness of our ethics program, including our training initiatives, and adjust as needed. We regularly evaluate and identify which TransDigm employees frequently interact with third parties to provide targeted training, further strengthening our commitment to ethical practices.

Our commitment to supporting fundamental human rights is integral to our values, as we believe in the dignity and worth of all individuals. Our [Combatting Trafficking in Persons Policy](#) strictly prohibits employees, consultants and suppliers from engaging in, promoting or supporting human trafficking. We condemn any form of degrading treatment and are committed to providing safe working conditions. Any violations of this policy should be reported immediately through the TransDigm 24-hour Ethics Whistleblower Hotline or Group Controllers or Chief Financial Officer.





## DATA AND INFORMATION SECURITY

At TransDigm, we are dedicated to upholding a robust, risk-based cybersecurity and information security program to assess, identify and manage material risks from cybersecurity threats. Our cybersecurity risk management process includes policies that specify the requirements for technical security controls, monitoring systems, tools and services from third-party providers and employee training and awareness.

The Company’s Board of Directors oversees our ERM program and has delegated the primary responsibility for its oversight, which includes oversight of cybersecurity risk, to the Audit Committee. The Audit Committee is informed of material risks from cybersecurity threats through regular updates from the executive management team.

Our cybersecurity and information security program is led by the Company’s Vice President of Cybersecurity (“VPoC”) who reports to our Chief Financial Officer. Our VPoC has served as a leader in cybersecurity, information security, infrastructure and operational functions for over 35 years. The VPoC is supported by the Incident Response Team (“IRT”), a management committee made up of the Co-Chief Operating Officers, our Chief Financial Officer and executives in legal, finance, IT and audit.

We continuously monitor and evaluate risks from cybersecurity threats and adapt our program and related processes accordingly. Our VPoC is responsible for annually updating our corporate standards and policy framework to meet evolving security demands. Additionally, the director holds monthly calls with operating unit leaders to discuss new cybersecurity regulations and available resources. Our cybersecurity risk management process also includes regular independent audits across our operating units.

Our multi-layered framework aligns with international cybersecurity standards and incorporates requirements from the National Institute of Standards and Technology (“NIST”) Special Publication 800-171, alongside other legal, regulatory and industry best practices. We actively leverage internal and external threat intelligence to assess risks, enabling proactive resource allocation and targeted remedial actions across our operations.

We have established an incident response plan to identify, respond to and recover from cybersecurity threats and incidents. In the event of a potentially material cybersecurity incident, as determined by the VPoC with support from legal as needed, the IRT is notified through an established escalation protocol. The Chair of the Audit Committee is also notified and briefed, and meetings of the Audit Committee and/or full Board of Directors convened as appropriate. We maintain a relationship with a third-party forensic vendor for incident response and investigation. To further strengthen our response capabilities, we maintain cybersecurity insurance.

## KEY REQUIREMENTS IN OUR CYBERSECURITY FRAMEWORK



### TRAINING AND AWARENESS

We conduct regular training sessions for all employees on topics like insider threats and cybersecurity, alongside quarterly phishing exercises to maintain vigilance.



### TECHNOLOGY INVESTMENT

Our multi-layered cybersecurity defenses include multi-factor authentication, managed endpoint detection and response, 24/7 security monitoring with remediation, privileged access management and a proactive vulnerability and patch management strategy. We prioritize rapid response to incidents or findings based on their criticality and associated risks.



### THIRD-PARTY ASSESSMENTS

We conduct independent penetration tests at least annually and mandate timely remediation of identified issues, prioritized by criticality and risk level.



### INCIDENT RESPONSE PLANS

Our comprehensive incident response plan, adopted across all business units and overseen by the corporate executive team, outlines procedures for effectively managing cybersecurity incidents on a global scale. This includes encrypted backups, quarterly recovery testing and continuity planning.

We are dedicated to safeguarding both our data and our customers’ information. TransDigm’s publicly available [Privacy Policy\\*](#) provides transparency on how customer information is collected and used, along with other details of our privacy practices.

\*Our Privacy Policy can be found at [www.transdigm.com](http://www.transdigm.com).



## RESPONSIBLE SUPPLY CHAIN

The integrity of our supply chain is essential, and we hold our suppliers to the same high standards that we uphold for ourselves. We rigorously evaluate and qualify new suppliers to ensure alignment with our values and ethical standards, extending the principles of our Code of Business Conduct and Ethics across our supplier network.

In line with our [Conflict Minerals Policy](#)\*, we are committed to complying with regulations surrounding conflict minerals—tin, tungsten, tantalum and gold. We actively participate in global efforts to prevent funding for armed groups involved in conflict and human rights abuses. Through supply chain due diligence, we closely monitor our manufacturing processes and the raw materials and components we source. In support of these commitments, we pledge to:

- Vigilantly work to identify the presence of conflict minerals in our supply chain.
- Establish processes to trace the sources of tin, tungsten, tantalum and gold utilized in our supply chain, whether originating from the Democratic Republic of the Congo and certain adjoining countries or derived from recycled or scrap sources.
- If necessary, conduct supply chain due diligence, adhering to the Organization for Economic Cooperation and Development's framework or similar standards.
- Ensure that our suppliers are well-informed about SEC reporting requirements pertaining to conflict minerals.

Additionally, we have proactively addressed the risk of human trafficking within our supply chain. TransDigm's strict [Combatting Trafficking in Persons Policy](#)\* prohibits engagement with suppliers involved in, promoting or supporting human trafficking, including unlawful child labor, human slavery or commercial sex acts. Any violation of this policy by a supplier may lead to suspension of payments, termination of services or other necessary actions.

\*Our [Conflict Minerals Policy](#) and [Combatting Trafficking in Persons Policy](#) can be found at [www.transdigm.com](http://www.transdigm.com).

## SHAREHOLDER ENGAGEMENT

We proactively engage with shareholders and other stakeholders throughout the year to understand their perspectives on key issues, including Company performance and strategy, corporate governance, executive compensation and sustainability topics. This engagement helps us better understand shareholder priorities, provides an opportunity to elaborate on our initiatives and practices and fosters constructive dialogue. We consider feedback from these discussions as we review and evolve our practices and disclosures, sharing insights with our Board as appropriate.

Further details regarding our shareholder engagement program and shareholder outreach conducted in 2024 can be found in the 2025 Proxy Statement dated January 24, 2025.





# Environmental Responsibility

## ENVIRONMENTAL STEWARDSHIP

In the face of critical global challenges such as pollution, resource scarcity and other environmental risks, we are actively committed to making a difference. In recent years, we have taken a proactive approach to environmental challenges, continuously enhancing our initiatives and strengthening corporate oversight across our operating units. Our Board plays a key role in overseeing our sustainability and risk management strategy, including our environmental efforts. Our operations and facilities comply with a range of federal, state, local and international environmental laws and regulations, and we actively monitor any legal developments that could impact our business or operations.

Our company-wide environmental policy guides our approach to managing energy usage, GHG emissions, water usage, energy efficiency and waste and hazardous materials. In

2024, we continued to prioritize efforts to reduce both energy consumption and emissions. We have an established science-aligned target to reduce our absolute Scope 1 and Scope 2 emissions by at least 50%.

We remain dedicated to supporting our operating units in reducing their emissions and minimizing their environmental footprints. Sustainability considerations are consistently embedded in productivity decisions. TransDigm has made substantial investments in efficiency initiatives at our operating units, including solar panel installations, LED lighting upgrades, HVAC system replacements and other energy conservation projects. As we look to 2025, multiple operating units already have energy conservation projects planned or underway. Our environmental strategy will continue to emphasize energy-efficient solutions and other initiatives grounded in technological feasibility, economic viability and industry best practices.

## 2024 ENVIRONMENTAL ACHIEVEMENTS AND PROGRESS

### ✓ COLLECTED AND MEASURED COMPLETE GHG INVENTORY

of Scope 1 and Scope 2 emissions for FY 2024

### ✓ IDENTIFIED POTENTIAL ENERGY REDUCTION ACTIONS

that local management teams can implement to reduce emissions

### ✓ CONTINUED TO IDENTIFY AND UNDERSTAND PATHWAYS

to achieve our emission reduction goal

### ✓ REMAINED COMMITTED TO 50% GHG EMISSIONS REDUCTION GOAL

for Scope 1 and Scope 2

### ✓ TRANSDIGM OPERATING UNITS WORKED TO EVALUATE AND/OR IMPLEMENT ACTIONS

to reduce emissions



## Highlighting Efficiency Initiatives at our Operating Units

### CHILLER SYSTEM



Arkwin has invested approximately \$300,000 in a chiller system as part of the Arkwin site relocation to Bethpage, New York. The system serves to provide chilled water to Arkwin’s hydraulic testing equipment. In 2024, Arkwin consumed approximately 1.4 million gallons of water.

For 2025, with the use of this new chiller system, Arkwin anticipates saving at least 500,000 gallons of water. The system also uses an environmentally friendly R-410A refrigerant. The chiller system is a closed loop system, and it will not have to continuously tap into the town water supply as Arkwin had to do when previously located in Westbury, New York.

### 720KW AC SOLAR ELECTRIC GENERATION SYSTEM



Champion Aerospace is installing a 720kW AC solar electric generation system, targeting completion by August 2025. The rooftop solar installation is projected to generate approximately 1,406MWh of electricity in its first year, reducing greenhouse gas emissions by approximately 381 metric tons of CO<sub>2</sub> annually while decreasing reliance on grid-supplied electricity.

This solar project aligns with Champion Aerospace’s zero waste to landfill initiatives, focusing on enhanced recycling programs, material recovery efforts, and converting waste streams from landfills into waste-to-energy flows to minimize environmental impact.

The approximately \$1.6 million capital investment in solar energy is expected to yield approximately \$100,000 in annual electrical cost savings.

### NEW KLYSTRON TEST SYSTEMS WITH IMPROVED EFFICIENCY



Microwave Power Products (“MPP”) has implemented new ScandiNova® klystron test sets within its operations for electronic ATP testing. The new klystron test sets operate with an 85% efficiency rating compared to the 55% efficiency rating of the prior klystron test sets. The new systems will significantly reduce energy consumption and greenhouse gas emissions compared to the prior systems. MPP has implemented a ScandiNova® K200, K400 and K500 system for a total capital investment of over \$1.5 million. At 100% uptime, the systems are estimated to generate over \$115,000 in annual energy costs savings and reduce energy usage by almost 650MWh.

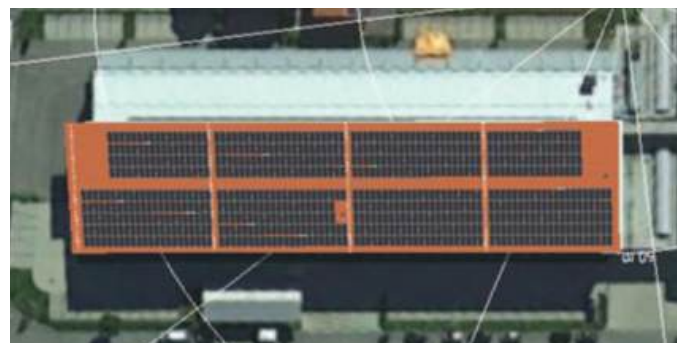
ScandiNova® models require less water cooling than the traditional test sets, reducing the amount of pumped water to a cooling tower, which decreases the energy load on the chiller unit. This equates to a significantly lower amount of energy required for cooling.



### SOLAR POWER PROJECT



Telair International (“Telair”) is in the process of a solar power project that will come online in early 2025. The 870 solar modules are expected to have a total installed generation capacity of 383kWp. In the first year of power generation, the solar panel system is estimated to generate 345kW and avoid 162 metric tons of CO<sub>2</sub>. The solar panel system will drive annual energy cost savings of approximately \$122,000 and cover 14.5% of Telair’s electricity consumption. Telair’s capital investment in the solar modules is approximately \$275,000.





## EMISSIONS AND ENERGY USE

We are committed to reducing our GHG emissions and conserving energy, guided by our science-aligned target to achieve a 50% absolute reduction in Scope 1 and Scope 2 emissions.

To measure and report our emissions, we conduct an annual enterprise-wide emissions inventory, using fiscal year (“FY”) 2019 as a base year to measure our progress. Currently, our inventory includes our direct emissions (Scope 1) and indirect emissions from purchased electricity (Scope 2). Our inventory is aligned with the GHG Protocol’s Corporate Accounting and Reporting Standard and associated guidance (the GHG Protocol)—the most widely used voluntary carbon accounting and reporting framework for corporations.

In line with the GHG Protocol Corporate Standard guidance on maintaining consistent boundaries over time, we have recalculated our FY 2019 emissions baseline to reflect the impact of three acquisitions completed in FY 2024. These acquisitions resulted in an upward revision of our previously reported baseline emissions. We elected to restate this historical data because these transactions impact our overall emissions footprint and would otherwise distort year-over-year performance comparisons. By recasting our FY 2019 baseline, we provide a consistent basis for evaluating our progress on emissions, ensuring that any changes in our emissions trajectory reflect actual performance rather than structural changes in our business portfolio. Moving forward, we will continue to review and update our baseline inventory if other significant structural change, such as future acquisitions, divestitures, or methodology updates, occur.

To support our emissions inventory, we created an Inventory Management Plan (IMP) (developed in 2021) that documents the foundation of our program and details the accounting principles we utilize. We rely on the IMP to guide the further development of our GHG management program, which is used to inform public reporting, facilitate participation in mandatory and voluntary GHG programs and help us manage risks and identify reduction opportunities.

Our manufacturing primarily involves light manufacturing and assembly processes with limited heavy manufacturing, and we rely largely on commercial shipping services rather than maintaining a fleet of company-owned vehicles for product distribution. This model, combined with our global customer base and our generally small shipment sizes, contributes to our relatively low Scope 1 and Scope 2 emissions. Most of our emissions result from electricity use and natural gas combustion. We continue to refine our processes to maintain consistent and accurate reporting across all metrics. For additional information about our FY 2024 emissions performance, see page 25.

## COMPANY EFFORTS TO REDUCE ENERGY USE



### USE OF RENEWABLE ENERGY SOURCES

Including hydropower, solar, nuclear and wind power



### SHUTDOWN PROCEDURES FOR PORTIONS OF FACILITIES IN LOW OCCUPANCY OR USAGE AREAS

Along with reducing number of work shifts



### LED LIGHTS OR MOTION SENSING LIGHTS



### HIGHER EFFICIENCY HEATING AND/OR AIR CONDITIONING UNITS

Many of our facilities have replaced heating and/or air conditioning units with higher efficiency units or installed air compressor systems, as well as energy efficient manufacturing equipment



### ENERGY AUDITS

Help identify opportunities to reduce energy consumption



### ENERGY EFFICIENT BUILDING UPGRADES

Including energy efficient windows, tinted windows, skylights, stucco coatings, improved insulation and/or programmable thermostats to reduce heating and cooling costs





We continue to work towards our goal of achieving a 50% absolute reduction in Scope 1 and Scope 2 emissions. Reducing our emissions remains a key priority of TransDigm’s efficiency initiatives.

Each year, we continue refining our methodology and processes for compiling and calculating our energy and emissions inventories at TransDigm. As we acquire new businesses, their operations are incorporated into our GHG emissions inventory. Both the baseline and current-year energy and emissions inventories are adjusted annually to account for these acquisitions. In FY 2024, our combined Scope 1 and Scope 2 emissions increased slightly by approximately 1% compared to our FY 2019 baseline, primarily due to business growth from both organic expansion and new acquisitions. Our operating units continue to make concerted efforts to enhance energy efficiency. Many of the TransDigm operating units have installed solar panel systems, upgraded lighting and machinery, and implemented various other efficiency initiatives. The impact of the operating units’ efficiency initiatives on our emissions has been offset by our continued strong business growth.

Additionally, on an annual basis, we conduct a water consumption inventory. Total water usage across our operations continues to trend downward. We remain committed to advancing our water stewardship initiatives in the future.

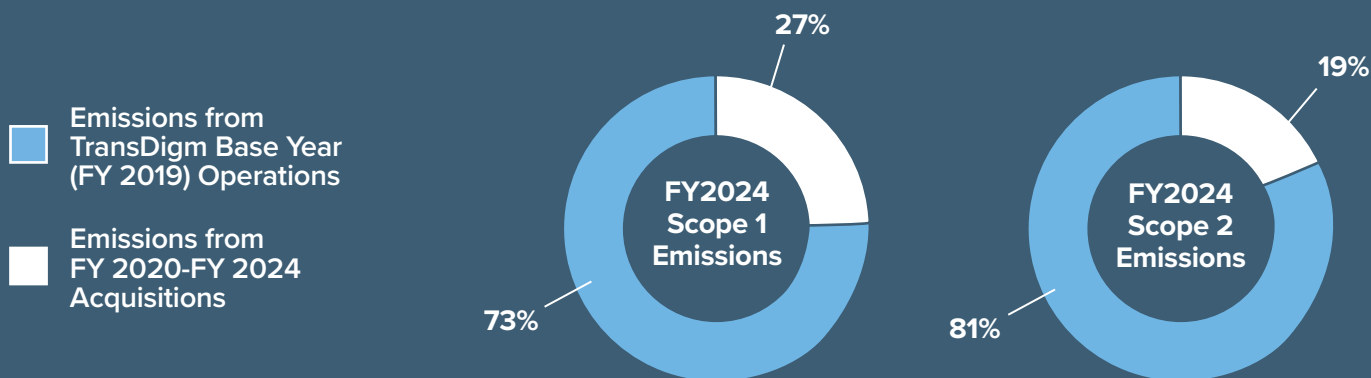
## SUMMARY TABLES AND FIGURES

**TABLE 1: TRANSDIGM ENERGY AND WATER CONSUMPTION SUMMARY**

	NATURAL GAS		ELECTRICITY		WATER
	Energy (MJ)	GHG (t CO <sub>2</sub> e)	Energy (MWh)	GHG (t CO <sub>2</sub> e)	Usage (thousand gallons)
FY2024	892,821,589	44,947	276,783	87,920	137,791

**TABLE 2: TRANSDIGM SCOPE 1 AND SCOPE 2 GREENHOUSE GAS EMISSIONS**

	SCOPE 1	SCOPE 2	SCOPE 1 AND 2
	t CO <sub>2</sub> e	t CO <sub>2</sub> e	t CO <sub>2</sub> e
FY2024	51,376	87,920	139,296





## EFFORTS TO REDUCE WASTE AND WATER USAGE



### REDUCE WASTE THROUGH RECYCLING

including recycling metal, paper, cardboard, plastic, used batteries and used oil



### MANAGE AND REDUCE WASTE STREAMS

including waste reduction programs and using more environmentally-friendly compounds in manufacturing processes



### SEPARATE OIL AND WATER TO ELIMINATE OIL WASTE



### USE LOW-PHOSPHORUS DETERGENT TO WASH HARDWARE



### DEPLOY ACTIVATED CARBON FILTRATION IN VENTILATION SYSTEMS

to reduce liquid and gas emissions



### IMPLEMENT A DUST FILTRATION SYSTEM



### WATER REDUCTION PROGRAMS

to aid in water conservation efforts

## WATER AND WASTE MANAGEMENT

Our goal is to be responsible stewards of water and waste from our operations. In FY 2024, we completed a water consumption inventory—a comprehensive data collection and validation process using FY 2019 as our base year. In FY 2024, we consumed about 137,791 thousand gallons of water, representing a 21% decrease compared to our FY 2019 baseline. We are committed to refining our approach as needed to maintain consistency and accuracy across our metrics and to being transparent with our methodology.

As previously disclosed, in 2021, we assessed our water use by location using the WRI Aqueduct Water Risk Atlas (Aqueduct), a global database and interactive mapping tool that helps companies evaluate their exposure to water-related risks, including physical, regulatory and reputational risks. This assessment primarily focused on baseline water stress, a key indicator of water scarcity.

Through the assessment, we also determined that our primary water consumption is driven by facility utilities, such as boilers and cooling towers, along with employee-related activities like restroom and kitchen use. Additional water is used for specific processes, including steam and rinse tanks and for landscape irrigation. Notably, the water efficiency projects across our operating units have resulted in significant water efficiency improvements.

#### Operating Unit Water Efficiency Project Examples

- Switching to a closed loop chiller system
- Employee restroom retrofits (low/no flow lavatories)
- Process rinse tanks that universally include recirculation/reuse
- On-going/planned boiler upgrades
- Xeriscaping to reduce/eliminate landscape irrigation and variable frequency drive feed water pumps

Based on our assessment, we have identified limited possibilities for additional significant, economically-viable water efficiency improvements. As a result, we have not established specific quantitative or time-bound water conservation targets. However, we remain committed to enhancing our water efficiency and adopting best practices across our operations. We will continue to collect and disclose water consumption data annually and prioritize assessments of sites with the highest water usage, especially those in areas with elevated water stress. This focused approach will drive our ongoing efforts in water stewardship.



# Corporate Citizenship

## PRODUCT SAFETY AND INNOVATION

Our commitment to quality, safety and reliability forms the cornerstone of our approach to crafting highly specialized products that cater to the unique demands of aircraft operators and manufacturers across the globe. Over the course of our 30-plus-year journey, our Company has grown and evolved, yet our dedication to innovation and quality remains steadfast. This enduring commitment to excellence is deeply embedded in our culture and drives the highest standards of safety for our products.

We strive to provide products and services that exceed our customers' requirements for quality and reliability and withstand the extraordinary conditions and stresses endured during use on an aircraft. The commercial aircraft component industry is highly regulated by the Federal Aviation Administration ("FAA") in the United States, the European Union Aviation Safety Agency ("EASA") in Europe and other agencies around the world. The military aircraft component industry is governed by military qualification specifications. Our Company and the components we manufacture are required to be certified by one or more of these entities or agencies and, in many cases, by the individual OEMs, to engineer and service parts and components used in specific aircraft models.

We use sophisticated equipment and procedures to comply with quality requirements and specifications. For example, we perform a variety of rigorous testing procedures, such as testing under different temperatures, humidity and altitude levels; flammability testing; and shock and vibration testing. These types of procedures, together with other customer-approved techniques for process and quality control, are used throughout all our manufacturing facilities.

Our strategic investments in our business, with the goals of improving product quality and ensuring on-time delivery, are central to our core strategy. Our operating units deliver on these objectives by innovating across their product lines and all aspects of the business—from manufacturing equipment and processes to supply chain infrastructure and operations. Our operating units strive to ensure the safety of their products through high inspection rates and monitoring and analysis of any quality concerns from our customers. To this end, many operating units have obtained aerospace and quality management standard certifications, such as International Organization for Standardization ("ISO") 9001 and Aerospace Standard ("AS") 9100.



# Innovative New Products that Ensure the Safety of Endeavors on the Land, Sea and Outer Space

## INTEGRATED STATIC PORT (ISP)



As autonomous technology advances, demand is increasing for smaller and lighter air data systems with a low radar cross-section. In response to market demand, Aerosonic fielded the next generation of static ports with an interchangeable interface plate that is made conformal to the specific aircraft's unique skin geometry. The conformal match to the aircraft's shape allows for low drag and low observability. Aircraft manufacturers are able to utilize multiple ISPs to eliminate heavier multi-function air data products which protrude from the aircraft's skin by calculating various air data measurements from the data output of the ISPs.

## SECONDARY COCKPIT BARRIER



AmSafe Bridport's Secondary Cockpit Barrier is a safety feature to provide an additional delay should an intruder attempt to enter the cockpit. There has been continued interest in heightened security solutions for cockpit access before U.S Part 121 of the Code of Federal Regulations changes come into effect from August 2025. The solution from AmSafe Bridport is a textile based secondary barrier which is customizable for any model of aircraft; it can be used flexibly to work around existing monuments and retrofitted to different aircraft layouts. A key benefit of the lightweight solution is how it can be seamlessly stored into the cabin environment when not in use.

## BAMBI BUCKET® SYSTEM



TransDigm acquired SEI Industries in 2024, and it was bolted onto an existing TransDigm operating unit – DART Aerospace. SEI Industries is the creator of The Bambi Bucket® System that has been used in aerial firefighting operations for over 40 years. This strong, but lightweight, flexible firefighting system is the standard for the industry today, helping firefighters save lives and property. The Bambi Bucket® is now used in more than 115 countries around the world by over 1,000 customers including helicopter operators, local, state and government agencies, and militaries around the world.

Bambi Bucket® recent improvements include the PowerFill™ option. This feature allows operators to fill the Bambi Bucket® in as little as 18 inches of water, utilizing streams located near fires, improving firefighting efficiency and saving precious time.

## WEB CLAMP INERTIA REEL



AmSafe Aviation has developed and certified the Web Clamp Inertia Reel to FAA TSO-114 standards, and is the first to market in the aerospace industry. This product provides increased passenger safety in premium cabin seating by reducing occupant head excursion, and potential passenger injury, caused by unpredictable dynamic events. The system is fully mechanical which provides ease of installation and certification for AmSafe customers.



## EMPLOYEE SAFETY AND WELL-BEING

Delivering safe, high-quality products begins with ensuring the health and safety of our employees who design, engineer and produce them. We are dedicated to maintaining a safe work environment that prioritizes our employees' well-being, enabling us to consistently meet and exceed our customers' expectations.

### Health and Safety

Our facilities are operated with a strong emphasis on process safety and risk mitigation. Equally, we empower our employees to help prevent accidents and foster a healthy workplace. We encourage personnel to report risks, potential hazards, incidents and near misses to allow thorough investigation and implementation of preventive measures. To reinforce our commitment to safety, each operating unit is required to report on environmental, health and safety matters to our executive team monthly.

### Employee Benefits

At TransDigm, our commitment to employees extends well beyond competitive compensation. We offer comprehensive benefits packages that support their well-being and professional growth.

To foster financial security, we provide retirement savings plans and tax-free savings opportunities through flexible spending accounts and health savings accounts. Our compensation programs—including base pay, bonus structures and equity options—are designed to reward employees fairly for their hard work. We also understand the importance of work-life balance and provide paid time off and designated holidays to our employees.


Beyond our formal and informal employee development programs, we encourage further education through our tuition reimbursement program. By collaborating with local colleges, we offer training courses that enrich employees' skills, benefiting not only TransDigm but also our customers and communities.

Our equity compensation plans are crucial for attracting and retaining key talent and aligning employee interests with those of our stockholders. Featuring performance-based stock options, these plans are central to our equity-based compensation strategy. As we cultivate a culture of growth and excellence, we are confident that performance-based stock options will remain essential to retaining our valued employees and drawing future talent to TransDigm.

## U.S. WELFARE BENEFITS

 **MULTIPLE MEDICAL PLANS TO SERVE THE VARIOUS NEEDS OF EMPLOYEES**

 **DENTAL AND VISION COVERAGE**

 **LIFE, SURVIVOR AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

 **SHORT- AND LONG- TERM DISABILITY BENEFITS**

 **TUITION ASSISTANCE PROGRAMS**

 **VARIOUS VOLUNTARY BENEFITS\***

\*Including legal insurance, an identity theft protection plan, critical illness insurance, accident insurance and an employee assistance program.



## EMPLOYEE DEVELOPMENT

Our employees are our greatest asset, and we are dedicated to fostering their growth through a range of comprehensive training and development programs that support career progression within TransDigm. We use a blend of structured and informal initiatives to identify, nurture and retain exceptional talent across both corporate and operating units.

A strong, experienced management team is essential to our success, and we believe our best future leaders are already within our organization. As such, we prioritize internal promotions and actively support the advancement of emerging leaders. We consistently fill two-thirds or more of open senior leadership roles with internal candidates.

### TransDigm University

In partnership with the Marshall School of Business, we established TransDigm University (“TDGU”), a structured mentoring and educational program with a curated curriculum led by accomplished leaders who serve as mentors. Through TDGU, participants enhance their skills, leading to greater job satisfaction and more impactful professional contributions. This program enables TransDigm to identify high-performing talent, improve employee performance and retention, foster organizational learning and support the growth of our existing employees—all in line with our commitment to career development.

We are also proud of the progress we have made in fostering representation at TDGU. Approximately 27% of our most recent class is composed of females or individuals from underrepresented backgrounds, nearly double that of the program’s inaugural class in 2019. As we go forward, our efforts to foster representation in future classes will continue.

## Management Development and Training

Through our [Management Development Program \(“MDP”\)\\*](#), TransDigm identifies new talent and prepares candidates for success within the organization. Through this program, we actively recruit recent Master of Business Administration graduates from colleges and universities across the U.S. to engage a broad pool of candidates. Program participants work for three 8-month periods across selected TransDigm operating units, gaining hands-on experience in developing, manufacturing and selling aerospace components to become fully immersed in business operations. Upon completing the program, MDP participants are equipped with the knowledge and experience required to excel as managers at TransDigm, with the goal of transitioning successful graduates into full-time roles at one of our operating units.

We regularly evaluate the roster of schools for MDP recruitment to expand our reach and cultivate a strong and vibrant class. Approximately 34% of total past and present MDP participants identified as female or from underrepresented backgrounds. Our commitment to broadening representation in the MDP remains strong for the future.

Alongside the MDP, TransDigm’s executive team offers informal mentorship to nurture rising talent. This mentorship accelerates the development of high-performing employees, fosters organizational learning, enhances performance and strengthens retention efforts. The executive team dedicates their focus to assess the pool of future leaders, to ensure that the organization has the people and skills necessary to continue driving business success.

## Junior Military Officer Rotational Program

The [Junior Military Officer \(“JMO”\)\\*](#) Rotational Program at TransDigm is a structured, one-year development initiative, comprising two 6-month rotational assignments in regions such as Southern California, Greater New York City and Cleveland, Ohio. Participants rotate through essential functional areas, including operations, product development, sales and marketing, supply chain and program management. Each JMO is paired with a dedicated military veteran mentor at TransDigm, often former JMOs who have successfully transitioned to civilian careers and now hold executive positions at TransDigm. Upon completing the program, participants are well-prepared to take on leadership roles within TransDigm’s operating units. This program is designed to recruit JMOs for their leadership skills, adaptability and attention to detail, qualities that align with TransDigm’s commitment to excellence in the aerospace industry.

*\*Additional information on MDP and our JMO rotational program can be found at [www.transdigm.com](http://www.transdigm.com).*





## COMMITMENT TO A STRONG AND VIBRANT WORKFORCE

At TransDigm, we highly value the contributions brought by unique perspectives, fresh ideas and varied experiences. Our commitment to building a workforce that reflects the communities where we operate is not just an organizational goal but a core principle that drives innovation, strengthens our competitive advantage and leads to better outcomes for all stakeholders. To track our progress, we conduct an annual review of our workforce initiatives and key metrics, continuously striving for improvement.

Our dedication to a strong and vibrant workforce is also embedded within our training programs, communications and conferences, ensuring representation remains integral to our organization's culture.

Our Board actively supports a strong and vibrant workforce through the Nominating & Corporate Governance Committee, which recommends director candidates while considering independence, skills and experience. Representation is also a regular topic during quarterly Board meetings, with a particular focus on fostering gender representation within senior management.

To uphold our commitment to fairness and transparency, we submit a U.S. Federal Employer Information Report (Form EEO-1) annually, in compliance with the U.S. Equal Employment Opportunity Commission. Our most recent filing was submitted on June 4, 2024, for our 2023 employee data. While we meet all regulatory reporting requirements, we also share additional workforce data in this Stakeholder Report that we believe provided meaningful insights into our employee representation.

TransDigm maintains a zero-tolerance stance on discrimination. We are committed to upholding high ethical standards and equal employment opportunities in all personnel decisions irrespective of race, color, religion, gender, national origin, citizenship status, age, marital status, gender identity or expression, sexual orientation, physical or mental disability or veteran status.

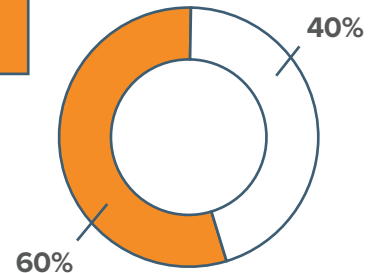
We take pride in the progress we have made in our employee development programs. Expanding our recruitment efforts, including partnerships with colleges and universities participating in the Doug Peacock Scholarship Program, has helped us reach a broader talent pool. By continuing to invest in these efforts, we are not only shaping a strong and vibrant workplace, but also reinforcing the foundation for long-term success.

## TRANSDIGM REPRESENTATION

### BOARD REPRESENTATION

- Non-Diverse
- Diverse

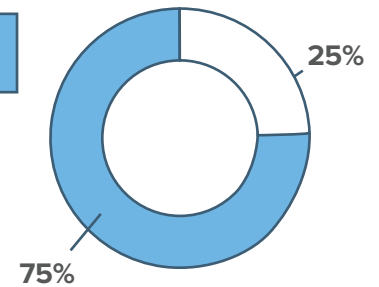
2 females, 1 African American male and 1 Hispanic male



### NEO & EVP REPRESENTATION

- Non-Diverse
- Diverse

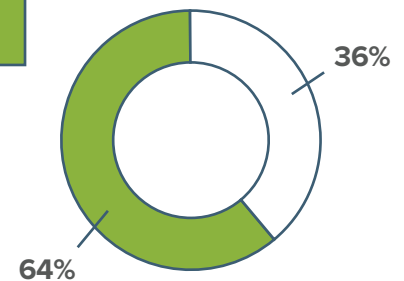
3 females



### GENDER REPRESENTATION

U.S. Employees Only

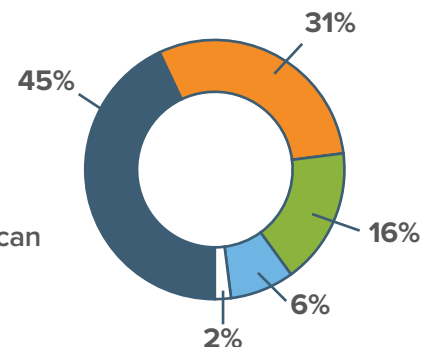
- Male
- Female



### ETHNIC REPRESENTATION

U.S. Employees Only

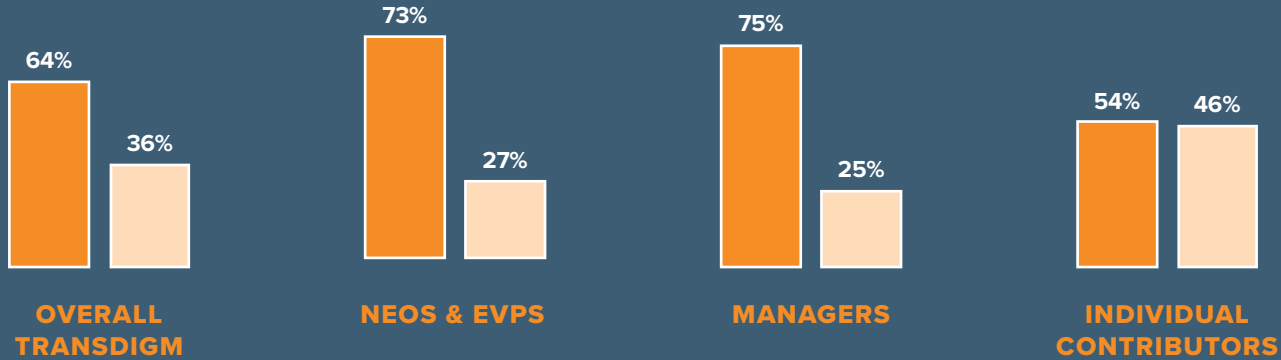
- White
- Hispanic or Latino
- Asian
- Black or African American
- Other





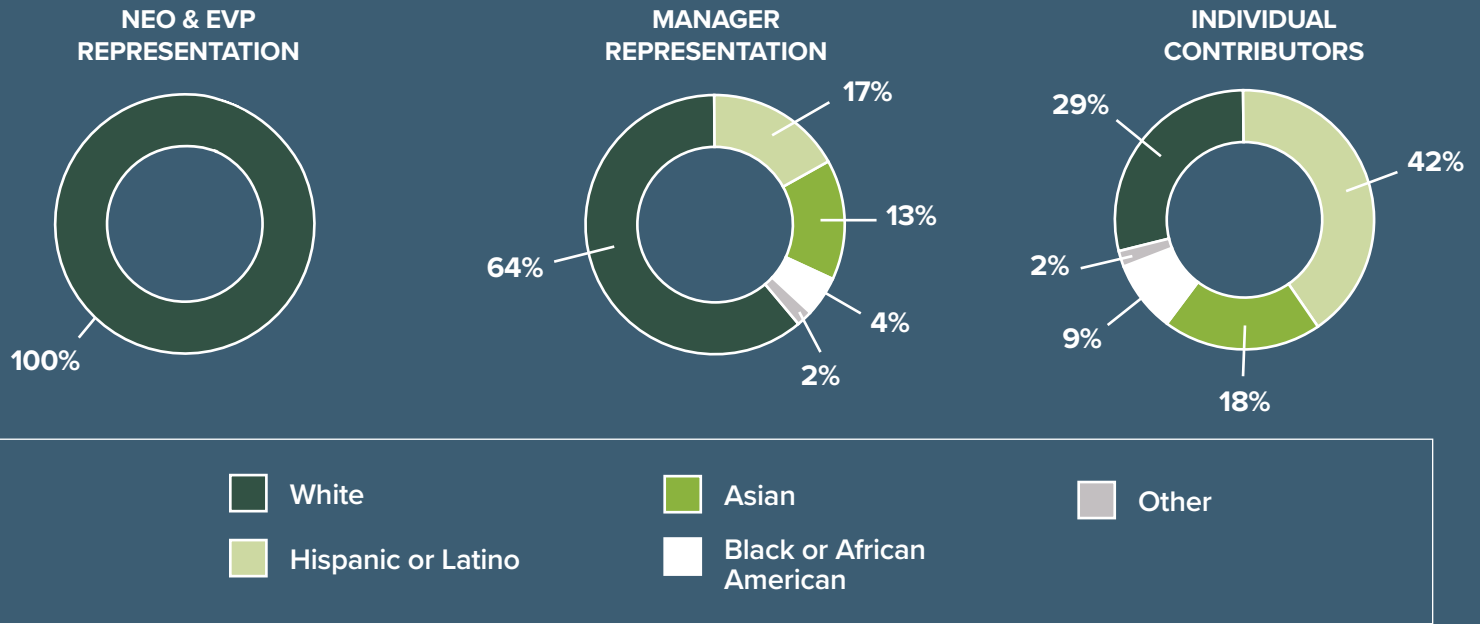
## GENDER REPRESENTATION BY JOB CATEGORY

U.S. Employees Only

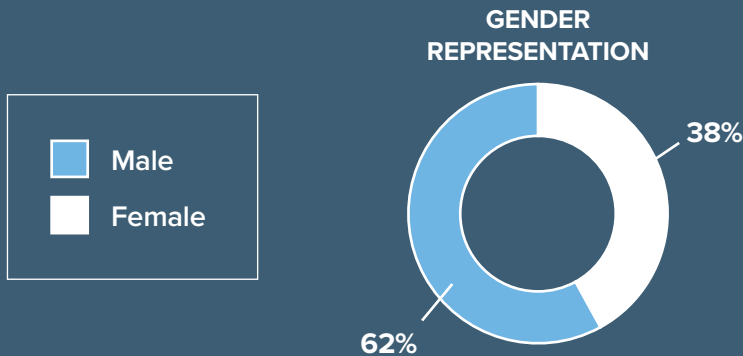


## RACE AND ETHNICITY BY JOB CATEGORY

U.S. Employees Only



## GLOBAL GENDER REPRESENTATION







## COMMUNITY IMPACT

At our headquarters in Cleveland, Ohio, TransDigm is committed to making a positive impact in our local community. We recognize the importance of supporting underserved and disadvantaged communities, and we actively participate in a variety of initiatives aimed at driving positive change.

We also encourage and empower each of our operating units across the globe to establish strong connections with their respective local communities. We firmly believe that meaningful community engagement is a shared responsibility. We actively encourage our teams to identify and support causes that resonate with the unique needs and challenges of their local areas.

By fostering a culture of community involvement and philanthropy at both our corporate and local levels, we aim to create a ripple effect of positive change that extends far beyond our business operations. TransDigm is dedicated to being a force for good and making a lasting difference in the lives of those who need it most. Through our collaboration, dedication and collective efforts, we strive to build stronger, more resilient communities and contribute to a brighter future for all.

“Receiving a [Doug Peacock] scholarship has not only helped me financially, but it has also strengthened my conviction in the potential of education and the doors it may open. As a minority Engineering student, I frequently encountered particular difficulties and obstacles. But your faith in the potential of students like me has given me a new sense of self-assurance and inspiration to work toward my goals.”

### 2024 DOUG PEACOCK SCHOLARSHIP RECIPIENT

“The Doug Peacock Scholarship has provided financial support and encouragement throughout my time here at Clemson. From the monetary aid to the messages sent to recipients throughout the semester to give us a boost of encouragement, it has been a relief for me. I am very grateful to TransDigm Group for their support and care for students like me.”

### 2024 DOUG PEACOCK SCHOLARSHIP RECIPIENT

## INSTITUTIONS INCLUDE:



CLEVELAND STATE  
UNIVERSITY



USC

CLEMSON



UNIVERSITY of WASHINGTON



RIT

Rochester Institute  
of Technology

In 2024, TransDigm was proud to receive the Corporate Beacon Award from Rochester Institute of Technology (RIT). This award was presented to TransDigm President and CEO, Kevin Stein, in recognition of TransDigm’s work to enhance representation both on and off the RIT campus.



## Corporate Community Initiatives

### The Doug Peacock Scholarship Program

At TransDigm, we deeply value the talent and potential within our workforce, and we are committed to supporting promising young individuals who may face barriers to developing their skills and realizing their full potential. In 2020, we launched the Doug Peacock Scholarship Program, named to honor the legacy of TransDigm co-founder Doug Peacock. This initiative aims to create educational opportunities for students from underrepresented backgrounds who are pursuing careers in engineering or business fields.

We partner with institutions known for their rigorous curricula and experiential learning opportunities, helping students gain the skills needed to address global challenges. Through renewable, non-endowed scholarships, with a focus on supporting minority females, we aim to alleviate financial barriers and open pathways for underrepresented groups to pursue their ambitions.

In addition to supporting postsecondary education for engineering and business majors, we work to reach high school students impacted by poverty and educational inequity through partnerships with Saint Martin De Porres High School and Benedictine High School in Cleveland, Ohio.

Our commitment to a strong and vibrant workforce extends beyond scholarships. We actively supported Programs for Educational Enrichment and Retention and Women in Science and Engineering (“PEER” and “WISE”), a program at Clemson University, by funding its annual summer program centered on math and essential skill development. We also offer employment opportunities to our Doug Peacock Scholars, providing practical career pathways and helping to build a workforce that mirrors the communities in which we operate. By investing in these initiatives, TransDigm is committed to empowering the next generation both in and beyond the classroom, making a meaningful and lasting impact.

**2,600**  
**TOTAL SCHOLARSHIPS**  
**WILL HAVE BEEN AWARDED**  
**BY 2028 THROUGH THE**  
**DOUG PEACOCK**  
**SCHOLARSHIP PROGRAM.**



## Corporate Community Initiatives

### The Red Cross of Northeast Ohio’s Home Fire Campaign

In response to alarming home fire statistics in the U.S., TransDigm proudly supports the Red Cross of Northeast Ohio’s Home Fire Campaign. This program provides and installs smoke alarms in underserved communities while educating children, families and the elderly on home fire preparedness and safety.

### Returning World-Class Athletics to Cleveland

TransDigm was honored to be the title sponsor of the Tri-CLE Rock Roll Run in 2022, 2023 and 2024. This popular Cleveland event has seen sold-out participation, and our sponsorship directly supports Tri-CLE’s nonprofit, the Kids that Tri Program. Through this initiative, underprivileged children in Greater Cleveland learn to swim, bike and run, gaining the skills to compete in a triathlon.

### The Manufacturing Advocacy and Growth Network (MAGNET)

Recognizing the importance of manufacturing to Northeast Ohio’s economy, TransDigm has committed to a substantial three-year financial partnership with MAGNET. For over 30 years, MAGNET has driven manufacturing growth in the region by supporting small- and mid-sized manufacturers, promoting advanced technology adoption and providing workforce training, all of which contribute to economic prosperity.

### The USS Cleveland Legacy Foundation

As part of our commitment to supporting the U.S. military, TransDigm actively contributes to the USS Cleveland Legacy Foundation. This organization is dedicated to commissioning a new U.S. Navy threat combat ship, scheduled for spring 2025, while fostering lasting connections between the sea services and Greater Cleveland. The foundation also preserves the legacy of all four U.S. Navy ships named Cleveland.

### Supporting Cleveland Clinic’s Cancer Research Funding through VeloSano

In the fight against cancer, TransDigm supports VeloSano, Cleveland Clinic’s primary fundraising initiative, which directs 100% of raised funds to critical cancer research at Cleveland Clinic and Cleveland Clinic Children’s. During the flagship Bike to Cure event, participants cycle up to 100 miles throughout Cleveland to raise funds. We look forward to continuing our support for this important cause.

### Cleveland Clinic’s Sight-Saving Eye Care Services

TransDigm has partnered with Cleveland Clinic through a \$2 million commitment to support Vision First, a community outreach program providing free vision screenings and eye exams to elementary students in underserved Northeast Ohio communities. This investment ensures at-risk children gain access to essential vision care, promoting better well-being and academic success.

### STEM Learning Center at Great Lakes Science Center

Opened in 2023, the TransDigm Group Learning Center at Cleveland’s Great Lakes Science Center (“GLSC”) is a state-of-the-art classroom designed to inspire underserved youth through hands-on science, technology, engineering and math (“STEM”) education and exploration. Supporting activities like engineering challenges, robotics and summer camps, this new facility primarily serves students from kindergarten through high school, especially those from Title I schools in Cleveland. TransDigm’s sponsorship enables GLSC to expand STEM learning access to over 3,700 additional students annually, reflecting our commitment to fostering educational opportunities and empowering the next generation of innovators.

## Corporate Community Initiatives

### Support for Programs at Cleveland State University

TransDigm Group Inc. has pledged over \$1 million to Cleveland State University (“CSU”) to support programs that advance education and drive innovation, underscoring our dedication to fostering a skilled workforce. This substantial investment will bolster CSU’s initiatives, including scholarships for students and the creation of a cutting-edge manufacturing lab. The partnership reflects TransDigm’s commitment to developing future leaders in engineering and business, particularly those from underrepresented backgrounds.

A key part of TransDigm’s contribution includes funding the Doug Peacock Scholarship Fund at CSU. This scholarship supports students in the Washkewicz College of Engineering and the Monte Ahuja College of Business, helping them

achieve their educational and career aspirations. By providing financial assistance to talented students, the scholarship aims to foster a representative, driven community within CSU’s engineering and business programs.

Our contribution will also support the new TransDigm Group Manufacturing Training Laboratory, co-branded with CSU’s Entrepreneurial Manufacturer Digitization Support (“EMDiS”) initiative, represents a major enhancement to CSU’s hands-on learning resources. This state-of-the-art facility will expose students to the latest manufacturing technologies, providing them with essential skills for the modern workforce. Emphasizing entrepreneurship, especially within aerospace engineering and manufacturing, the lab will also serve as a valuable training ground for local industry professionals, promoting collaboration between CSU and leading companies like TransDigm.



**“Supporting Cleveland State University is an investment in the future of our region, and we are deeply grateful to TransDigm for their ongoing dedication to CSU. By expanding scholarships and establishing the TransDigm Group Manufacturing Training Laboratory, they are amplifying the exceptional opportunities we provide our engineering and business students—many of whom will go on to directly contribute to the growth of Northeast Ohio by choosing to live and work here after graduation.”**

**LAURA BLOOMBERG, PH.D.**  
**PRESIDENT OF CLEVELAND STATE**

## Corporate Community Initiatives

Our operating units are committed to making a positive impact on their local communities through various philanthropic and community engagement activities year-round. Guided by the unique needs and relationships within each community, each unit independently selects charitable initiatives and organizations to support. Currently, our operating units actively support causes such as:

- United Way
- United Way Centraide Canada
- Saint Martin De Porres High School
- Phoenix Rescue Mission
- St. Mary's Food Bank Alliance
- West Valley Mavericks Foundation

In addition to these core initiatives, our teams enthusiastically engage in a wide range of community-focused events, including holiday toy drives, food and clothing donation efforts, charity run/walk events, school supply collections and active volunteer efforts with local organizations. This involvement exemplifies TransDigm's commitment to fostering a culture of community support.

Our operating units also focus on educational and developmental support for young people through activities like mentoring high school students interested in STEM, creating work-study programs, offering scholarships to ease college expenses and supporting institutions like the Great Lakes Science Center.

Furthermore, nearly every operating unit hosts an internship or co-op program, partnering with local colleges and universities to provide hands-on experience for students in fields like engineering, accounting, human resources and sales. By promoting educational growth and professional development, we contribute to building a skilled and engaged workforce for the future.





# Appendix

## ABOUT THIS REPORT

Published in March 2025, the TransDigm 2024 Stakeholder Report outlines the Company's performance in the areas of sustainability and corporate citizenship. The information provided in this document reflects the global activities and initiatives undertaken by TransDigm in FY 2024 (October 1, 2023–September 30, 2024). This report has been prepared in consideration of the Sustainability Accounting Standards Board ("SASB") Sustainability Disclosure Topics and Accounting Metrics for the Aerospace & Defense sector. This report has been reviewed and approved by TransDigm's CEO and President, co-Chief Operating Officers, General Counsel and Chief Compliance Officer and Chief Financial Officer.

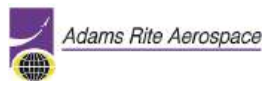
Statements in this Report that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "believe," "may," "will," "should," "expect," "intend," "plan," "predict," "anticipate," "estimate" or "continue" and other terms with similar meanings may identify forward-looking statements. All forward-looking statements involve risks and uncertainties that could cause TransDigm's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, TransDigm. These risks and uncertainties include but are not limited to: the sensitivity of TransDigm's business to the number of flight hours that TransDigm's customers' planes spend aloft and its customers' profitability, both of which are affected by general economic conditions; supply chain constraints; increases in raw material costs, taxes and

labor costs that cannot be recovered in product pricing; failure to complete or successfully integrate acquisitions; TransDigm's indebtedness; current and future geopolitical or other worldwide events, including, without limitation, wars or conflicts and public health crises; cybersecurity threats; risks related to the transition or physical impacts of environmental changes and other natural disasters or meeting sustainability-related voluntary goals or regulatory requirements; TransDigm's reliance on certain customers; the U.S. defense budget and risks associated with being a government supplier including government audits and investigations; failure to maintain government or industry approvals; risks related to changes in laws and regulations, including increases in compliance costs; potential environmental liabilities; liabilities arising in connection with litigation; risks and costs associated with TransDigm's international sales and operations; and other factors.

Further information regarding the important factors that could cause actual results to differ materially from projected results can be found in TransDigm's most recent Annual Report on Form 10-K and other reports that TransDigm Group or its subsidiaries have filed with the SEC. You are cautioned not to place undue reliance on our forward-looking statements. TransDigm assumes no obligation to and expressly disclaims any obligation to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. For questions or more information, please contact us at 216-706-2945 or [IR@TransDigm.com](mailto:IR@TransDigm.com).



## OPERATING UNITS\*



**CALIFORNIA**

Adams Rite Aerospace designs and manufactures a wide variety of custom-engineered components and systems, including cockpit security systems, oxygen systems, fluid controls and water systems, flight control, interior and exterior hardware and door latching systems.



**CALIFORNIA**

AdelWiggins Group designs, manufactures and sells an extensive line of high-quality, custom designed products, primarily aerospace-related fluid line components such as flexible connectors, quick disconnects, clamps, heaters and hoses, and refueling systems.



**OHIO**

AeroControlex Group designs and produces hydraulic, fuel, lubrication and coolant pumps. They also produce mechanical actuators and water disinfection systems.



**OHIO**

Aero Fluid Products produces aircraft fuel systems hydraulics and lubrication systems, electromechanical, aircraft hardware, potable water and waste systems.



**FLORIDA**

Aerosonic produces air data systems, standby displays, digital and mechanical standby instruments, sensors and probes.



**NEW JERSEY**

Airborne Systems creates and manufactures best-in-class parachutes for the military, GPS precision guided cargo delivery systems, low cost cargo delivery parachutes, parachute releases; personnel and cargo systems, rescue and survival equipment, space and air vehicle recovery systems and deceleration systems for high-performance aircrafts.



**ARIZONA**

AmSafe Passenger Restraints produces safety restraint products, including aviation passenger seatbelt and airbag restraint systems, for the aerospace and defense industries.



**BRIDPORT,  
UNITED  
KINGDOM**

AmSafe Bridport designs and manufactures highly engineered textile products, specialising in airframe restraints and barrier solutions, cargo handling and movement systems and RPG protection for armoured vehicles.



**NEW YORK**

Arkwin Industries designs, tests, manufactures and supports precision hydraulic and fuel system components for civil and military fixed-wing aircraft, helicopters, spacecraft, turbine engines and other special applications.



**CALIFORNIA**

Armtec Defense Technologies develops and manufactures state-of-the-art ordnance products, infrared decoy flares, radar countermeasure chaff and a variety of other pyrotechnic devices.



**BOURGES,  
FRANCE**

Auxitrol Weston supplies highly reliable temperature, speed and pressure engine and aircraft sensors to OEMs and airlines in commercial, military, aero derivative and industrial markets.

\*Location listed is main or headquarter facility.



	<p><b>NEW JERSEY</b></p>	<p>Avionic Instruments produces and supplies power conversion equipment and supplies lightweight, qualified power electronics for military, commercial and aerospace applications.</p>
	<p><b>WASHINGTON</b></p>	<p>AvtechTye Corporation designs, develops and manufactures electronic systems for the aerospace industry, with a focus in five product groups: Communications, Power Lighting and Control, Electro-Mechanical, Switches and Connectors and Indicators.</p>
	<p><b>NEW JERSEY</b></p>	<p>Breeze-Eastern designs rescue hoists, winches, cargo hooks and weapons handling systems that military and civilian operators need to complete their missions efficiently, effectively and safely.</p>
	<p><b>ARIZONA</b></p>	<p>Canyon AeroConnect is the global leader in avionic-standard aircraft radio and systems for aircraft communication equipment for Air Ambulance, Law Enforcement, SAR, EMS, Electronic News Gathering, Military and Marine applications.</p>
	<p><b>NEW YORK</b></p>	<p>Calspan is an independent engineering, testing, evaluation and research service company that provides its customers with knowledgeable staff, unrivaled processes, unsurpassed quality, proven facilities and reliable equipment. Calspan partners with global innovators in many industries, including aerospace, automotive, commercial transportation and motorsports.</p>
	<p><b>FLORIDA</b></p>	<p>CDA InterCorp designs and manufactures highly engineered, extremely reliable, Controllable Drive Actuators for technologically advanced control systems.</p>
	<p><b>SOUTH CAROLINA</b></p>	<p>Champion Aerospace manufactures performance proven excilers, leads and igniters for turbine engines and spark plugs, fillers, magnets and harnesses for piston engines.</p>
	<p><b>MARLOW, UNITED KINGDOM</b></p>	<p>Chelton LTD supplies highly resilient, totally dependable communications, navigation and Electronic Warfare equipment for aerospace and defence. Its solutions include antenna systems, anti-jam GPS, radio, vehicle intercoms, air traffic management systems and electronic warfare.</p>
	<p><b>MONTREAL, CANADA</b></p>	<p>CMC Electronics designs and manufactures cockpit systems integration, avionics and display solutions for the military and commercial aviation markets.</p>
	<p><b>MASSACHUSETTS</b></p>	<p>CPI Electron Device Business (EDB) is a global manufacturer of electronic components and subsystems serving primarily the aerospace and defense markets. CPI EDB develops, designs and manufactures a broad array of radio frequency and microwave products for critical defense and commercial applications.</p>
	<p><b>STILLINGTON, UNITED KINGDOM</b></p>	<p>Darchem Engineering LTD produces insulation systems, aerostructures, honeycomb systems, nuclear systems, thermal protection and special fabrications.</p>
	<p><b>MONTREAL, CANADA</b></p>	<p>DART Aerospace provides industry-leading design, manufacturing and market-certified solutions for the helicopter and aerospace industry.</p>
	<p><b>NEW YORK</b></p>	<p>Data Device Corporation designs and manufactures high-reliability Connectivity, Power and Control solutions (Data Networking; Power Distribution, Control and Conversion; Motor Control and Motion Feedback) for aerospace, defense and industrial applications.</p>


















	<p><b>KANSAS</b></p>	<p>Electromech Technologies specializes in the manufacture and overhaul of AC/DC motors, actuators, blowers and position feedback devices for the aerospace, military and industrial markets.</p>
	<p><b>INGOLSTADT, GERMANY</b></p>	<p>Elektro-Metal Export produces electromechanical actuators as well as entire actuation systems complete with control and power units, aircraft wiring harnesses and other wiring equipment.</p>
	<p><b>FLORIDA</b></p>	<p>Extant Aerospace manufactures highly reliable, mission critical aerospace electronics and avionics life cycle sustainment systems and subassemblies.</p>
	<p><b>CONNECTICUT</b></p>	<p>HarcoSemco designs and fabricates temperature sensors, thermocouple systems, interconnect cable-harness assemblies, probes and sensors.</p>
	<p><b>CALIFORNIA</b></p>	<p>Hartwell Corporation produces access latches, latching systems and complex door assemblies.</p>
	<p><b>WASHINGTON</b></p>	<p>Hytek Finishes supplies specialized metal finishing, non-destructive testing, plating, anodizing and organic coating services.</p>
	<p><b>BRIDGEND, UNITED KINGDOM</b></p>	<p>IrvinGQ designs and manufactures products and services including Aerial Delivery Solutions, Personnel Parachutes, Rescue, Safety and Survival Equipment and Naval Decoy Systems.</p>
	<p><b>CALIFORNIA</b></p>	<p>Kirkhill Inc.'s elastomer-based product offerings include radar absorbing material (RAM), ablative materials, conductive elastomers, electro static discharge (ESD) material, calendered, extruded and molded solid and sponge specialty rubber products.</p>
	<p><b>WASHINGTON</b></p>	<p>Korry Electronics produces superior human-machine interface products offering balanced lighting solutions for all cockpit needs.</p>
	<p><b>CALIFORNIA</b></p>	<p>Leach International is the world's leading provider of electromechanical and solid state switch gear for aircraft, defense, space and rail applications. Leach International leverages its design, engineering and manufacturing expertise to create solutions oriented equipment for power distribution and control.</p>
	<p><b>SARRALBE, FRANCE</b></p>	<p>Leach International Europe manufactures power switching solutions.</p>
	<p><b>TEXAS</b></p>	<p>MarathonNorco Aerospace designs and manufactures Nickel-cadmium batteries and chargers, engine nacelle hold-open rods and a range of mechanical couplings and connectors.</p>
	<p><b>CALIFORNIA</b></p>	<p>Mason Controls manufactures rotary switches, potentiometers, optical encoders, cursor control devices, ground vehicle controls, as well as electromechanical fixed wing and rotary flight controls.</p>
	<p><b>CALIFORNIA</b></p>	<p>Microwave Power Products (MPP) is a global manufacturer of electronic components and subsystems serving primarily the aerospace and defense markets. MPP develops, designs and manufactures a broad array of radio frequency and microwave products for critical defense and commercial applications.</p>

\*Location listed is main or headquarter facility.



	<b>CALIFORNIA</b>	Palomar produces highly reliable secure intercommunications systems for airborne and naval military applications to the world's armed forces. This includes switching and crew-position units for airborne, shipboard, unmanned and ground applications for multi-mission platforms.
	<b>WASHINGTON</b>	Pexco Aerospace produces extruded plastic interior parts used in cabin structures and lighting as well as flooring trim and finish.
	<b>CALIFORNIA</b>	PneuDralics supplies the aerospace industry with high quality pneumatic and hydraulic system components such as actuators, manifolds, reservoirs, solenoid valves, utility valves and lavatory valves.
	<b>NEW YORK</b>	Power Device Corporation designs and manufacturers high-reliability Connectivity, Power and Control solutions (Data Networking; Power Distribution, Control and Conversion; Motor Control and Motion Feedback) for aerospace, defense and industrial applications.
	<b>CONNECTICUT</b>	Raptor Scientific is a leading provider in the Aerospace and Defense sector of engineering, testing and measurement services, including the design and manufacture of world-class mass properties, air data test technology, pressure, temperature, torque and force measurement instruments and radar cross section measurement instruments.
	<b>OHIO</b>	Schneller is the leading supplier of interior decorative and non-textile flooring for all commercial platforms.
	<b>INDIANA</b>	Shield Restraint Systems produces specialty restraint components for on- and off- roadvehicles.
	<b>CALIFORNIA</b>	Skurka Aerospace designs and manufactures motors, motion controllers, actuators, speed pickup transducers, starters, starter generators, power generation, distribution, conversion and related controllers.
	<b>CALIFORNIA</b>	TA Aerospace designs and manufactures metallic and elastomer clamping systems, molded grommets and thermal fire barrier insulation.
	<b>MIESBACH, GERMANY</b>	Telair International is the world's leading supplier of containerized cargo handling systems and unit load devices.
	<b>NORTH CAROLINA</b>	US Cargo Systems designs and develops Cargo Handling and Aerial Delivery System technologies.
	<b>NEW JERSEY</b>	Whippany Actuation Systems designs, manufactures and services custom electromechanical actuation solutions for commercial and military applications.
	<b>NEW YORK</b>	Young and Franklin designs and manufactures precision controls for the land-based turbine and oil industries. Tactair provides hydraulic and pneumatic valves and actuators for aerospace applications.

\*Location listed is main or headquarter facility.



# RECONCILIATION OF INCOME FROM CONTINUING OPERATIONS TO EBITDA AND EBITDA AS DEFINED

(in millions)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Net Sales	\$52	\$57	\$63	\$78	\$111	\$131	\$151	\$201	\$249	\$293	\$301	\$374	\$435	\$593	\$714
Income (loss) from continuing operations	\$ (5)	\$ –	\$1	\$3	\$14	\$ (17)	\$11	\$14	\$31	\$ (76)	\$14	\$35	\$25	\$89	\$133
Depreciation and amortization expense	7	7	7	6	7	6	7	9	13	10	18	17	16	24	25
Interest expense, net	5	5	5	3	3	23	28	32	37	43	75	80	77	92	93
Income tax provision (benefit)	(2)	–	2	5	13	(2)	8	9	17	(45)	6	23	16	53	74
Warrant put value adjustment	1	1	2	5	7	–	–	–	–	–	–	–	–	–	–
Extraordinary item	–	–	–	2	–	–	–	–	–	–	–	–	–	–	–
EBITDA	6	13	17	24	44	10	54	64	98	(68)	113	155	134	258	325
Merger expense	–	–	–	–	–	40	–	–	–	176	–	–	–	–	–
Refinancing costs	–	–	–	–	–	–	–	–	–	–	–	–	49	–	–
Acquisition and divestiture transaction-related costs	4	–	–	1	–	1	–	8	–	15	20	2	1	9	2
Non-cash compensation and deferred compensation costs	–	–	–	–	–	–	–	–	–	1	6	7	1	6	6
One-time special bonus	–	–	–	–	–	–	–	–	–	–	–	–	6	–	–
COVID-19 pandemic restructuring costs	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gain on sale of businesses	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public offering costs	–	–	–	–	–	–	–	–	–	–	–	–	3	2	–
EBITDA As Defined	\$10	\$13	\$17	\$25	\$44	\$51	\$54	\$72	\$98	\$124	\$139	\$164	\$194	\$275	\$333
EBITDA As Defined Margin	19.2%	22.8%	27.0%	32.1%	39.6%	38.9%	35.8%	35.8%	39.4%	42.3%	46.2%	43.9%	44.6%	46.4%	46.6%

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Sales	\$762	\$828	\$1,206	\$1,700	\$1,924	\$2,373	\$2,707	\$3,171	\$3,504	\$3,811	\$5,223	\$5,103	\$4,798	\$5,429	\$6,585	\$7,940
Income (loss) from continuing operations	\$163	\$163	\$152	\$325	\$303	\$307	\$447	\$586	\$629	\$962	\$841	\$653	\$681	\$866	\$1,299	\$1,715
Depreciation and amortization expense	28	30	61	68	73	96	94	122	141	129	226	283	253	253	268	312
Interest expense, net	84	112	185	212	271	348	419	484	602	663	859	1,029	1,059	1,076	1,164	1,286
Income tax provision (benefit)	88	88	77	163	146	142	189	182	209	24	222	87	34	261	417	500
Warrant put value adjustment	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Extraordinary item	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
EBITDA	363	393	475	768	793	893	1,149	1,374	1,581	1,778	2,148	2,052	2,027	2,456	3,148	3,813
Merger expense	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Refinancing costs	–	–	72	–	30	132	18	16	40	6	3	28	37	1	56	58
Acquisition and divestiture transaction-related costs	6	12	30	19	26	21	37	57	31	29	169	31	35	18	18	70
Non-cash compensation and deferred compensation costs	6	7	13	22	49	26	32	48	46	59	93	93	130	184	157	217
One-time special bonus	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
COVID-19 pandemic restructuring costs	–	–	–	–	–	–	–	–	–	–	–	54	40	–	–	–
Gain on sale of businesses	–	–	–	–	–	–	–	–	–	–	–	–	(69)	(7)	–	–
Other	–	–	–	–	2	1	(2)	–	13	5	6	20	(11)	(6)	16	15
Public offering costs	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
EBITDA As Defined	\$375	\$412	\$590	\$809	\$900	\$1,073	\$1,234	\$1,495	\$1,711	\$1,877	\$2,419	\$2,278	\$2,189	\$2,646	\$3,395	\$4,173
EBITDA As Defined Margin	49.2%	49.8%	48.9%	47.6%	46.8%	45.2%	45.6%	47.1%	48.8%	49.3%	46.3%	44.6%	45.6%	48.7%	51.6%	52.6%



## RECONCILIATION OF INCOME FROM CONTINUING OPERATIONS TO ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE

(in millions)

	2020	2021	2022	2023	2024
	(\$) (in millions)				
Income from continuing operations	\$653	\$681	\$866	\$1,299	\$1,715
Gross adjustments from EBITDA to EBITDA As Defined	226	162	190	247	360
Purchase accounting backlog amortization	53	11	7	4	13
Tax adjustment	(103)	(146)	(65)	(73)	(122)
<b>Adjusted Net Income</b>	<b>\$829</b>	<b>\$708</b>	<b>\$998</b>	<b>\$1,477</b>	<b>\$1,966</b>
Weighted-average shares outstanding under the two-class method	57.3	58.4	58.2	57.2	57.8
<b>Adjusted Earnings Per Share</b>	<b>\$14.47</b>	<b>\$12.13</b>	<b>\$17.14</b>	<b>\$25.84</b>	<b>\$33.99</b>



# SASB REFERENCE TABLE

Aerospace & Defence		
SASB Code	Metric	TransDigm 2024 Disclosure
<b>Energy Management</b>		
RT-AE-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	(1) 1,889,240 GJ, (2) This data is unavailable at this time and (3) This data is unavailable at this time.
<b>Hazardous Waste Management</b>		
RT-AE-150a.1	(1) Amount of hazardous waste generated, (2) percentage recycled	This data is unavailable at this time.
RT-AE-150a.2	(1) Number and aggregate quantity of reportable spills, (2) quantity recovered	This data is unavailable at this time.
<b>Data Security</b>		
RT-AE-230a.1	(1) Number of data breaches, (2) percentage involving confidential information	Breaches deemed material to the company and associated corrective actions are included in TransDigm's 10-k.
RT-AE-230a.2	Description of approach to identifying and addressing data security risks in (1) entity operations and (2) products	Data and Information Security, p. 20
<b>Product Safety</b>		
RT-AE-250a.1	(1) Number of recalls issued, (2) total units recalled	TransDigm considers this information confidential.
RT-AE-250a.2	(1) Number of counterfeit parts detected, (2) percentage avoided	TransDigm considers this information confidential.
RT-AE-250a.3	(1) Number of Airworthiness Directives received, (2) total units affected	TransDigm considers this information confidential.
RT-AE-250a.4	Total amount of monetary losses as a result of legal proceedings associated with product safety	<a href="#">TransDigm 2024 10-k, p. 22</a>
<b>Fuel Economy &amp; Emissions in Use-phase</b>		
RT-AE-410a.1	Revenue from alternative energy-related products	This data is unavailable at this time.
RT-AE-410a.2	Description of approach and discussion of strategy to address fuel economy and greenhouse gas (GHG) emissions of products	Product Highlights — Efficiency Initiatives, p. 12. TransDigm works directly with its customers to provide them with highly-engineered, high-quality products that meet each customer's unique specifications. Customer needs and requests vary by product but may include making a product more efficient or more environmentally friendly, which could promote fuel economy and limit emissions.
<b>Materials Sourcing</b>		
RT-AE-440a.1	Description of the management of risks associated with the use of critical materials	Responsible Supply Chain, p. 21 <a href="#">TransDigm Conflict Minerals Webpage</a>
<b>Business Ethics</b>		
RT-AE-510a.1	Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, or illicit international trade	Losses deemed material to the company are included in <a href="#">TransDigm's 2024 10-k, p. 22</a>
RT-AE-510a.2	Revenue from countries ranked in the 'E' or 'F' Band of Transparency International's Government Defence AntiCorruption Index	This data is unavailable at this time.
RT-AE-510a.3	Discussion of processes to manage business ethics risks throughout the value chain	Business Ethics, p. 18 Responsible Supply Chain, p. 21 <a href="#">Code of Business Conduct &amp; Ethics</a>
<b>Activity Metrics</b>		
RT-AE-000.A	Production by reportable segment	This data is unavailable at this time.
RT-AE-000.B	Number of employees	16,600

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