
Combating Trafficking in Persons Policy & Compliance Plan

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1. Audience and Scope

This policy and plan applies to employees, subcontractors, subcontractor employees and agents of Esterline's business units, including subsidiaries and joint ventures controlled by Esterline, and Esterline's corporate offices (hereafter "Esterline") performing work under a federal contract subject to Federal Acquisition Regulation (hereafter "FAR") 52.222-50 (Combating Trafficking in Persons) and/or Defense Federal Acquisition Regulation Supplement (hereafter "DFARS") 252.203-7004 (Display of Hotline Posters), 252.222-7007 (Representation Regarding Combating Trafficking in Persons) and/or 252.225-7040 (Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States), in each case as applicable.

This policy and plan sets forth Esterline's policy against trafficking in persons and Esterline's combating in trafficking in persons compliance plan in compliance with FAR 52.222-50. This policy and plan are consistent with Esterline's Code of Business Conduct and Ethics and Esterline's core values of practicing respect for all people and conducting ourselves in an ethical, lawful manner.

Terms applicable to FAR 52.222-50 that are not defined herein shall have the meanings assigned to such terms in FAR 52.222-50.

2. Policy

Esterline is opposed to all forms of human trafficking, slavery, servitude, forced or compulsory labor and all other trafficking-related activities. We are committed to (i) fully complying with all applicable labor and employment laws, rules and regulations and (ii) working to mitigate the risk of human trafficking in our business and supply chains.

The United States has long had a policy prohibiting government employees and contractor personnel from engaging in trafficking in persons activities, including severe forms of trafficking in persons. The Federal Acquisition Regulation prohibits federal contractors and subcontractors from engaging in prohibited practices such as destroying, concealing, confiscating, or otherwise denying access by an employee to his or her identity or immigration documents; using misleading or fraudulent recruitment practices; charging employees recruitment fees; and providing or arranging housing that fails to meet the host country housing and safety standards. Esterline complies with, and requires that its employees, subcontractors, subcontractor employees and agents to comply with, FAR 52.222-50, which can be accessed at www.acquisition.gov.

Esterline's employees, subcontractors, subcontractor employees and agents (i) shall fully comply with all applicable labor and employment laws, rules and regulations, and (ii) shall not:

- Engage in severe forms of trafficking in persons;
- Procure commercial sex acts;
- Use forced labor;
- Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
- (i) Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work; or (ii) use recruiters that do not comply with local labor laws of the country in which the recruiting takes place;
- Charge employees recruitment fees;
- (i) Fail to provide return transportation or pay for the cost of return transportation upon the end of employment—
 - For an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working on a U.S. Government contract or subcontract (for portions of contracts performed outside the United States); or
 - For an employee who is not a United States national and who was brought into the United States for the purpose of working on a U.S. Government contract or subcontract, if the payment of such costs is required under existing temporary worker programs or pursuant to a written agreement with the employee (for portions of contracts performed inside the United States); except that—

- (ii) The requirements of paragraph (7)(i) shall not apply to an employee who is—
 - Legally permitted to remain in the country of employment and who chooses to do so; or
 - Exempted by an authorized official of the contracting agency from the requirement to provide return transportation or pay for the cost of return transportation;
- (iii) The requirements of paragraph (7)(i) are modified for a victim of trafficking in persons who is seeking victim services or legal redress in the country of employment, or for a witness in an enforcement action related to trafficking in persons. The contractor shall provide the return transportation or pay the cost of return transportation in a way that does not obstruct the victim services, legal redress, or witness activity. For example, the contractor shall not only offer return transportation to a witness at a time when the witness is still needed to testify. This paragraph does not apply when the exemptions at paragraph (7)(ii) of this clause apply.
- Provide or arrange housing that fails to meet the host country housing and safety standards; or
- If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing. Such written work document shall be in a language the employee understands. If the employee must relocate to perform the work, the work document shall be provided to the employee at least five days prior to the employee relocating. The employee's work document shall include, but is not limited to, details about work description, wages, prohibition on charging recruitment fees, work location(s), living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance process, and the content of applicable laws and regulations that prohibit trafficking in persons.

3. Disciplinary Action

Esterline will take appropriate action against employees, subcontractors, subcontractor employees and agents that violate this policy and plan, which action may include, but is not limited to, the following, as applicable:

- Removal of employees from the contract, or requiring the subcontractor to remove a subcontractor employee or employees from the contract;

- Reduction in employee benefits;
- Termination of employment;
- Declining to exercise available options under the contract;
- Termination of the contract for default or cause, in accordance with the termination clause of the contract, or requiring the subcontractor to terminate a contract; or
- Termination of the business relationship with the subcontractor.

4. Compliance Plan

Esterline has established the following compliance plan in compliance with FAR 52.222-50(h):

4.1 Awareness Program

Esterline distributes this policy and plan to employees performing work under a federal contract subject to FAR 52.222-50(h). Esterline requires that each such employee complete the Esterline Combating Trafficking in Persons General Awareness Training prior to commencing work under the contract, and then again every three years. Esterline also requires that each such employee complete the Esterline Combating Trafficking in Persons General Awareness Refresher Training annually during the interim years. Esterline prominently displays the Department of Defense's Combating Trafficking in Persons Hotline Poster, Fraud Hotline Poster and Whistleblower Protection Hotline Poster, the Department of Homeland Security's Fraud Hotline Poster, and/or an employee bill of rights, in each case as applicable, in the common work areas within business units performing work under a federal contract.

4.2 Grievance Mechanism

Esterline Personnel, subcontractors, subcontractor employees and agents are required to report any violations of or activity inconsistent with the U.S. Government's policy prohibiting trafficking in persons set forth in FAR 52.222-50(b), and may do so without fear of retaliation and subject to employee protection, if applicable, under U.S.C. 2409 as implemented in the Defense Federal Acquisition Regulation Supplement subpart 203.9, by using the Esterline Ethics and Compliance Helpline, which can be accessed at www.esterline.com under the "Corporate Governance" tab, and may also contact the Global Human Trafficking Hotline at 1-844-888-FREE or via email at help@befree.org.

4.3 Recruitment and Wages

Esterline prohibits employees, subcontractors, subcontractor employees and agents from:

- (i) Using misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work; or (ii) using recruiters that do not comply with local labor laws of the country in which the recruiting takes place; and
- Charging employees recruitment fees.

In addition, Esterline only permits the use of recruitment companies that provide proper training to employees, do not charge recruitment fees to employees, and that have established procedures to ensure that wages meet applicable host country legal requirements.

4.4 Housing

In the event Esterline or a subcontractor intends to provide or arrange housing in connection with performing work under a federal contract subject to FAR 52.222-50(h), Esterline, and if applicable, the subcontractor shall establish a housing plan for such work that ensures that the housing meets host-country housing and safety standards.

4.5 Compliance Procedures

In order to prevent agents and subcontractors at any tier and at any dollar value from engaging in trafficking in persons (including the activities identified in the U.S. Government's policy prohibiting trafficking in persons set forth in FAR 52.222-50(b)) and to monitor, detect, and terminate any agents, subcontracts, or subcontractor employees that have engaged in such activities, Esterline requires that its agents and subcontractors performing work under a federal contract subject to FAR 52.222-50(h) complete annually the Esterline Combating Trafficking in Persons Due Diligence Questionnaire. The questionnaire is designed to provide Esterline with sufficient information to adequately assess the practices of its agents and subcontractors with respect to combating trafficking in persons compliance. To the extent that red flags or other issues are identified in completed questionnaires, these issues and red flags are addressed first by Esterline Ethics & Business Compliance Personnel and are then, as appropriate, subsequently reported to and

reviewed by Esterline's General Counsel. If, on the basis of red flags that are identified as a result of such review, Esterline determines that there is a reasonable risk that an agent or subcontractor has engaged in trafficking in persons (including the activities identified in the U.S. Government's policy prohibiting trafficking in persons set forth in FAR 52.222-50(b)), or has otherwise violated FAR 52.222-50, Esterline will determine and administer disciplinary action in accordance with the terms of this policy and plan.

4.6 Posting

This policy and plan shall be posted (i) at the workplaces in the business units performing work under a federal contract and (ii) on Esterline's website at www.esterline.com

5. Subcontractors

Esterline's subcontractors shall comply with FAR 52.222-50 and DFARS 252.203-7004, 252.222-7007 and 252.225-7040, in each as applicable; provided, however, that the requirements set forth in FAR 52.222-50(h) shall apply only to any portion of a subcontract that (i) is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States, and (ii) has an estimated value that exceeds \$500,000. If a subcontractor is required by FAR 52.222-50(h) to submit a certification in connection with work to be performed under a federal contract, the subcontractor shall submit the certification set forth in FAR 52.222-56 to Esterline prior to the initial performance of the subcontract and annually thereafter.

6. Review & Approval

The General Counsel and Program Manager, Ethics & Business Compliance are responsible for providing final approval for all E&BC Policy documents. This policy and all E&BC Policy documents will be reviewed and updated as needed.

Name and Title	Date (DD-Month-YYYY)
Marcia Mason, VP & General Counsel	29-April-2016
Rhonda Grady, Program Manager, Ethics & Business Compliance	29-April-2016

7. Revision History

Description	DD-Month-YYYY
New	29-April-2016