

Introduction

TransDigm Group Inc. is a leading global producer, designer and supplier of highly engineered aerospace components, systems and subsystems for use on nearly all commercial and military aircraft in service today.

We are a multinational group operating in a number of countries, where our business activities lead to a variety of taxes being generated. Our approach to tax is aligned with our longstanding policy, to conduct our business lawfully and ethically. This is set out in our Code of Business Conduct and Ethics, which applies across all our subsidiaries and business units worldwide.

Our successful corporate structure is based upon multiple, decentralised divisions, focusing on a range of sectors. Whilst each division acts autonomously in the capacity of its trade, the corporate governance and oversight of tax risk is managed centrally by TransDigm Group Inc in accordance with our Corporate Governance Guidelines.

We strive to successfully execute our business strategy of driving operational value through acquisitions, and comply with all applicable local, national and international tax regulation of the countries in which we do business.

In making this tax strategy available the UK group is fulfilling its responsibilities under paragraph 16(2) Schedule 19 FA 2016 for the year ended 30 September 2024.

How we manage tax risk

Our Vice President of Tax has overall control and responsibility for the group tax position and has the appropriate level of oversight to ensure that the ultimate decisions made regarding tax matters are consistent with the group's approach to tax risk. The Vice President of Tax communicates directly with the Board, who are kept informed regarding the group's tax position and associated tax matters.

Our internal risk management procedures operate to ensure that we identify, monitor and manage tax risks which are relevant to each of our global business units.

We employ specific tax/finance personnel within each business unit who have sound knowledge of the local tax laws which are relevant to our Group's activities. It is their responsibility for ensuring that local tax legislation is adhered to and that all tax compliance obligations are met. The Vice President of Tax is in regular contact to ensure these responsibilities are being carried out.

In addition to this, our external tax advisers provide us with support of specific tax advice and regular updates regarding upcoming changes to local tax legislation.

Our attitude to tax planning

We seek to operate in the most tax efficient manner, making use of all relevant exemptions and incentives put in place by relevant tax authorities and OECD principles. Where they exist we seek to apply them in the manner intended, in accordance with our Code of Business Conduct and Ethics.

Our tax planning strategy is not aggressive and we do not engage in artificial tax arrangements.

Where applicable, clearances are sought prior to engaging in any tax planning activities to ensure the group is compliant.

Our tax risks

Oversight of our Group is provided by the Vice President of Tax, who ensures that the TransDigm Group's tax strategy is implemented consistently across the US, UK and other countries.

Our teams in each country are appropriately qualified and we invest in continued professional development and external advisors to support the TransDigm group

As our business units operate autonomously within the group, transactions between our group companies are minimal, however where these do occur, we conduct them on an arm's length basis and in accordance with current OECD principles.

Our relationship with the tax authorities

We work collaboratively with our tax advisers (who act as agent on our behalf with the various global tax authorities) to ensure that we meet all compliance obligations and that we pay the correct amount of tax.

Aligned to our Code of Business Conduct and Ethics, we seek to operate an honest and transparent relationship with international tax authorities, including HMRC, providing the necessary disclosure required and seeking approval/clarification where necessary.

We support the G20's multilateral moves towards greater transparency in order to increase understanding of tax systems and build public trust. Therefore in accordance with OECD principles, we provide the necessary information to the tax authorities in which we operate to allow them to understand the operations and tax risk profile of our business units.