



FISCAL YEAR 2026

Modern slavery and Human trafficking Statement

CAE

Table of Contents

- COMPANY PROFILE..... 1
 - Corporate structure and entities..... 1
 - Business operations 1
 - Supply chains and suppliers 2
- IDENTIFYING HUMAN RIGHTS RISKS..... 2
 - Risk assessment..... 2
 - Risk assessment results 3
- ADDRESSING HUMAN RIGHTS RISKS..... 3
 - Governance and oversight..... 4
 - Management approach 5
 - Reporting and grievance mechanisms 8
 - Employee training programs..... 8
 - Remediation measures taken 9
- ASSESSMENT OF EFFECTIVENESS..... 9
- APPROVAL..... 10
- APPENDIX A - CAE INC. AND SUBSIDIARIES 11

This statement is made on behalf of CAE Inc. and its subsidiaries identified in Appendix A (collectively, "CAE") for the fiscal year ending March 31, 2026 (FY26). In light of CAE's global footprint, this statement is prepared pursuant to Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act and the United Kingdom's (UK) Modern Slavery Act 2015¹.

Company profile

At CAE, we exist to make the world safer. We deliver cutting-edge training, simulation, and critical operations solutions to prepare aviation professionals and defence forces for the moments that matter. Every day, we empower pilots, cabin crew, maintenance technicians, airlines, business aviation operators, and defence and security personnel to perform at their best and when the stakes are the highest. Around the globe, we're everywhere customers need us to be with sites and training locations in over 40 countries. For nearly 80 years, CAE has been at the forefront of innovation, consistently seeking to set the standard by delivering excellence in high-fidelity flight simulators and training solutions, while embedding sustainability at the heart of everything we do. By harnessing technology and enhancing human performance, we strive to be the trusted partner in advancing safety and mission readiness—today and tomorrow.

Corporate structure and entities

CAE is incorporated in Canada and headquartered in Montreal, Canada, with approximately 11,500 employees worldwide. We operate across the globe through local direct and indirect subsidiaries, and each of our business units serves its global customers through regional operations in the Americas, Asia-Pacific, Middle East/India and Europe.

Business operations

CAE is a global leader in training and critical operations solutions for civil aviation and defence and security. CAE provides digitally immersive and data-driven products, services, and experiences that enhance the safety, efficiency, and readiness of its customers.

Civil Aviation: We enhance team performance and support the safety of aviation operations. We provide comprehensive training solutions for pilots, cabin crew, maintenance technicians and ground personnel, in commercial, business and helicopter aviation, and the emerging eVTOL² market. From flight simulation training devices to ab initio pilot training and crew sourcing services, our immersive training solutions and experiences help build the necessary skills to take safer actions and make better decisions – faster. We also offer operations-management technology solutions to help more efficiently manage flight resourcing and help simplify processes.

¹ Canadian and UK legislations use different terminology. In this statement, references to human rights risk are understood as including risks of modern slavery (UK), forced labour and child labour (Canada).

² Where eVTOL refers to Electric Vertical Takeoff and Landing.

Defense & Security: We are a global leader in military training and simulation, supporting defence forces across naval, land, and air domains. We deliver advanced training and mission support solutions that enhance operational readiness and performance.

Supply chains and suppliers

In FY26, through its supply chain, CAE collaborated with over 8,000 suppliers contributing to our Civil Aviation and Defense & Security products. To facilitate the construction and assembly of its simulators, CAE procures a variety of goods and services, including electronic components, parts, submodules, and services sourced from different tiers within the supply chain.

Our supply chain extends across the globe and covers numerous manufacturing processes, as well as indirect goods and services.

In FY26, CAE conducted procurement operations across numerous countries, with the distribution of our spend as follows:

- 77% in Americas
- 15% in Europe
- 5% in Asia-Pacific
- 2% in Middle East/India

Identifying human rights risks

Risk assessment

Frequency and coverage of our assessment: A human rights risk assessment was conducted in FY25, with subsequent updates reviewed on a biennial basis. Our risk assessment may be reviewed or updated to address new requirements in relation to human rights, in the case of a significant event or a significant change in the company's operations, geopolitical context, market conditions or other similar circumstances. The assessment of exposure to human rights risks includes a review of human rights indexes, geopolitical heat maps, government debarred and denied parties lists and other credible references that contain human rights considerations.

We also conduct annual risk-based supplier due diligence based on social and environmental criteria. This is complemented by our ongoing monitoring of our suppliers through an EcoVadis evaluation, enabling continuous oversight of emerging risks across the supply chain. EcoVadis, a globally recognized sustainability rating platform, includes "Labour & Human Rights" as a foundational pillar in its scorecard. This pillar evaluates how companies manage employee safety, working conditions, social dialogue, career development and fundamental human rights protections across operations and supply chains.

Due to the size and complexity of our supply chain, not all suppliers are covered by our screening tools, particularly smaller or non-rated suppliers, which may limit our ability to identify human rights risks. In addition, our risk assessment processes currently focus on Tier 1 suppliers, resulting in limited visibility into risks within Tier 2 suppliers and beyond. To address these gaps, we continue to review opportunities to strengthen our due diligence processes and improve visibility into human rights risks across the limited tiers of our supply chain.

Risk assessment results

Risks in our operations: As an aerospace and defence company, CAE operates in a highly regulated and technologically sophisticated environment. In the production of our simulators and training devices, we predominantly employ a workforce distinguished by high skill requirements based on the nature of the work, such as engineers or other technical professionals. With respect to training services and flight services, our workforce consists of other highly skilled professionals, such as software developers, pilots and flight instructors. As a result, modern slavery risks in our operations are assessed as low. This finding is based on our presence in jurisdictions with a lower prevalence of modern slavery and human trafficking, as well as controls implemented within our organization to prevent human rights impacts and violations.

Risks in our supply chain: We deliberately and primarily source from suppliers located within the same geographic area as our operations, namely North America and Europe. Additionally, CAE conducts a small proportion of its procurement activities in geographic regions reputed to have higher instances of modern slavery, such as Asia-Pacific and Middle East/India. As a result, we determined that CAE is exposed to human rights risks essentially through our sub-tiers supplier network, including purchases of materials and components where child labour and forced labour are prevalent.

Addressing human rights risks

CAE is committed to respecting and protecting the human rights of its employees and expects its suppliers, contractors and other stakeholders to do the same. While CAE recognizes that human rights risks, encompassing modern slavery and human trafficking risks, may arise in our operations and supply chain, we have implemented several measures to address these risks, including policies and procedures to identify, assess and mitigate any potential or actual human rights impacts that may result from our activities or those of our business partners.

A task force dedicated to human rights is responsible for operationalizing the Human Rights Policy and related policies. The task force is composed of representatives of the following teams: Sustainability, Global Ethics and Compliance, and Global Procurement & Supply Management (GPSM). Amongst other things, the task force oversees the process for the identification, assessment, management, monitoring and reporting of human rights risks

throughout our value chain, including within our operations, as well as our upstream and downstream activities (e.g., business partners and suppliers).

These teams also contributed to the development of CAE’s multi-year Sustainability roadmap for FY24 through FY28, which has been updated as part of CAE’s annual sustainability review. The multi-year sustainability roadmap, which received approval from CAE’s Executive Management Committee (EMC) and Board of Directors, covers a wide range of sustainability-related subjects.

Some of the key results we expect by FY28, as set by the sustainability roadmap, include:

Key result	Target year	Status
Continuously review and refresh policies associated to human rights management in regards with the evolving legislation in effect in the jurisdictions in which we operate	Annual	On track
Roll out of sustainability risk management framework inclusive of human rights criteria	FY24	Achieved
Bottom-up risk assessment of CAE's direct and indirect exposure to human rights-related issues	FY25	Achieved
Establish proper protocols to prevent and mitigate direct human rights risks	FY25	Achieved
Complete risk assessment of selected strategic suppliers (roll out of third-party risk assessment and monitoring tool)	FY25	Achieved
Delivery of customized training for most exposed teams	FY26	Achieved
Provide Human rights training to suppliers as part of CAE Resilient together program	FY27	On track
Provide Human rights awareness training to the Governance committee of CAE’s Board of Directors	FY27	On track
Reassess salient human rights risks covering both Tier-1 and sub-tiers levels	FY28	On track
Provide human rights training to all Direct suppliers	FY28	On track

Governance and oversight

CAE’s Chief People and Sustainability Officer (CPSO) leads a multidisciplinary Sustainability Strategy and Reporting team that tracks rapidly evolving trends, develops and monitors our strategy, and reports on topics that are material to our industry and our operations. CAE’s CPSO has the overall responsibility for monitoring human rights issues and for developing and

recommending guidelines and initiatives to support related policy, program implementation and risk mitigation, along with the expanded oversight of human resource-related topics.

As part of the Human Rights Task Force, the Sustainability Strategy and Reporting team is responsible for integrating sustainable practices into our operations and long-term planning. This responsibility also encompasses implementing initiatives to address human rights issues in collaboration with other functions such as Human Resources, Global Safety, GPSM and local procurement teams, Global Ethics and Compliance, Enterprise Risk Management and Global Communications.

GPSM and local procurement teams are responsible for implementing processes to identify, assess and manage third-party risks throughout the supply chain, including human rights risks, and foster adherence by suppliers (vendors, service providers and contractors) to the commitments and principles set forth in CAE's Human Rights Policy and CAE's Supplier and Business Partner Code of Conduct throughout our network. GPSM employs its Sustainable Procurement framework to offer comprehensive guidance aimed at effectively preventing risk during the sourcing and contract award process, managing risk with established suppliers and enhancing sustainability awareness and performance within the supply chain.

All compliance-related activities are coordinated in concert with the Global Ethics and Compliance Office, which is responsible for overseeing the implementation of enterprise-wide compliance processes. Periodic reports are submitted to CAE's Board of Directors, through its Governance Committee.

Management approach

Our commitments and due diligence processes

As a signatory of the UN Global Compact, we commit to actively uphold – through our strategies and across our operations – Principles 1 to 6 governing the protection of human rights derived from the Universal Declaration of Human Rights. We also follow the core and social standards of the UN Guiding Principles on Business and Human Rights and the International Labour Organization, together with all laws and regulations applicable where CAE conducts business.

CAE's management approach starts with our Code of Business Conduct as our primary reference. By acknowledging the Code, employees commit to adhering to CAE's ethical standards, including respect for human rights. As for suppliers, business partners, and contractors, their work for us is governed by CAE's Supplier and Business Partner Code of Conduct, which sets out our minimum expectations on human rights matters, including child labour, modern slavery and human trafficking.

Our Human Rights Policy further directs our actions and strategies with respect to human rights in our operations and is reviewed regularly, prior to approval by the Governance Committee of

CAE's Board of Directors. We guarantee our employees' right to unionize and to communicate freely with their managers about working conditions without fear of harassment, intimidation, sanction, pressure or reprisal. We also recognize and respect workers' rights to free association through affiliation or non-affiliation with an association of their choice.

We address our commitment to human rights in our supply chains using standard terms and conditions with our suppliers with respect to child labour, working hours, harassment and unlawful discrimination, slavery, human trafficking and other specific concerns.

Outlined below are some of the key requirements that suppliers must meet to engage in business with us:

- Initial supplier survey when evaluating new suppliers
- Acceptance of and compliance with our Supplier and Business Partner Code of Conduct
- Compliance with our Conflict Minerals Policy
- Compliance with laws clauses in our contracts
- Commitment to implement corrective actions on identified areas of improvement.

CAE's supply chain performance management program, CAE Resilient Together, is both a program for our business partners and a change management platform used by our internal stakeholders to elevate CAE's sustainability maturity. Social compliance is a foundational element of the program, and suppliers in scope are encouraged to implement human rights due diligence into their sustainability strategy.

Policies

Code of Business Conduct

Our Code and compliance policies act as the compass for how we do business and for the values we put into practice every day. It provides employees with clear standards, helpful examples and information on where to go for guidance about ethical decision-making or to raise concerns – including the CAE Ethics Helpline that allows for anonymous reporting or “whistleblowing.” CAE considers any breach of the Code to be a threat to our culture, operations and financial well-being.

Our Code governs the conduct of CAE's directors, officers and employees. Available in six languages (English, French, Spanish, German, Polish and Portuguese), the Code acts as our overall ethics framework, which is supplemented by a set of individual policies and procedures that allow us to mitigate specific risks, including with respect to human rights and many more. We review our Code and corporate policies regularly.

CAE's Code of Business Conduct is available [here](#).

Sustainability Policy

CAE's Sustainability Policy, introduced in FY26, reinforces the company's commitment to responsible business conduct and the prevention of modern slavery across its global operations and supply chain. Structured around three core pillars – environmental stewardship, governance and social responsibility—the Policy aligns with CAE's Human Rights Policy and Supplier and Business Partner Code of Conduct, integrates sustainability and human rights considerations into enterprise risk management, procurement and due diligence processes, and establishes clear Board-level and executive oversight.

CAE's Sustainability Policy is available [here](#).

Human Rights Policy

CAE's Human Rights Policy emphasizes our commitment to upholding human rights across our global operations. The policy outlines specific commitments, including the prohibition of child labour, adherence to modern slavery and human trafficking laws, promotion of fair treatment and non-discrimination, compliance with working hours regulations, and our dedication to health and safety.

This policy also includes a commitment to provide awareness training on human rights, modern slavery, and human trafficking on a periodic basis to employees. This policy is reviewed at least every three years and is approved by the Governance Committee of CAE's Board of Directors.

CAE's Human Rights Policy is available [here](#).

Supplier and Business Partner Code of Conduct

We expect our suppliers and business partners to strictly comply with applicable laws and regulations in the jurisdictions where they operate or provide services. CAE's Supplier and Business Partner Code of Conduct, which was designed to align with the recommendations of the International Forum on Business Ethical Conduct (IFBEC), communicates the core principles to which we expect our suppliers to adhere. Suppliers and business partners are expected to convey these principles at every step of their supply chain.

The Supplier and Business Partner Code of Conduct covers 14 key areas of commitments, including environmental, social (human rights, including human trafficking, forced, bonded or indentured labour) and governance matters (i.e. compliance with laws, anti-bribery and corruption, fraud and embezzlement, tax evasion, competition and anti-trust, insider trading, conflict of interest, compliance with international import/export, information protection, timely payment of suppliers and risk management).

CAE's Supplier and Business Partner Code of Conduct is available [here](#).

Conflict Minerals Policy

This policy describes CAE's efforts to ensure that the minerals used in its products do not contribute to armed conflict or human rights abuses in high-risk areas. We communicate CAE's

Conflict Minerals Policy to suppliers as part of our due diligence process to ensure their participation in the Responsible Minerals Assurance Process.

CAE's Purchasing General Terms and Conditions

Among CAE's Purchasing General Terms and Conditions, CAE outlines the requirements to comply with all applicable laws, including laws prohibiting the use of child labour or forced labour, and CAE's Supplier and Business Partner Code of Conduct. We also require that our suppliers ensure that their employees are aware of and comply with these obligations. Our terms and conditions also require that suppliers flow down these requirements to their own suppliers.

CAE's Purchasing General Terms and Conditions are available [here](#).

Reporting and grievance mechanisms

In accordance with CAE's Internal Reporting/Whistleblowing Policy, CAE offers internal and external channels for individuals to report potential human rights violations. Employees, customers, suppliers, business partners or other third parties, who have questions, need guidance or have grounds to believe a violation has occurred, have several resources available to them, including (as applicable) through direct dialogue with:

- Direct supervisors or the next level of management
- Global Human Resources
- Global Legal department representatives
- Union or Works Council representatives
- Global Ethics and Compliance Office

Reports can also be filed using the EthicsPoint website and call centre, an independent confidential service available to employees 24 hours a day, 7 days a week, anywhere in the world. Inquiries regarding human rights matters may also be submitted via email to ethics-and-compliance@cae.com.

Employee training programs

All CAE employees receive mandatory training on the Code of Business Conduct at their time of hire and its provisions are reinforced through annual training and communications. This training covers important elements of our Code and related policies, including with respect to human rights, modern slavery and human trafficking. Our directors, officers and employees are also required to read, acknowledge and agree to comply with the Code on an annual basis.

As part of our FY26 achievements, members of the GPSM team completed mandatory training on human rights due diligence, reinforcing expectations related to responsible sourcing, supplier

oversight and the identification and mitigation of modern slavery and human trafficking risks within the supply chain.

CAE also introduced a new voluntary sustainability training program in FY26 that includes a dedicated human rights module, emphasizing employees' responsibility to respect and promote human rights across all activities. In addition to the mandatory annual Code of Business Conduct training, the module provides complementary awareness of human rights risks, including child labour, forced labour, and human trafficking. It also strengthens employees' ability to identify risks, understand the risk assessment process and report concerns.

Remediation measures taken

During the reporting period, CAE received no report of instances of forced labour or child labour in CAE's operations or within its supply chain, therefore no remediation actions were taken.

In general, when identifying a human rights violation within its direct operations as well as in upstream and downstream activities, CAE takes action to investigate and mitigate the risk, including communicating directly with our suppliers to validate the facts, requesting a remediation plan and intensifying our risk monitoring of the targeted supplier.

Considering the evolving nature of human rights risks worldwide, CAE will continue to promote its reporting mechanisms and the "speak up" culture of our Code of Business Conduct and Supplier and Business Partner Code of Conduct to encourage our employees, officers, directors, consultants, suppliers and other business partners to report any human rights concerns related to our operations and supply chains so that they can be adequately addressed and remedied.

Assessment of effectiveness

The effectiveness of our measures was assessed against the following key performance indicators in FY26:

- All targeted individuals undergo Code of Business Conduct training: about 11,500 employees followed the training on CAE's Code of Business Conduct. This training includes a module titled "Respecting Each Other" and covers our commitment to comply with human rights laws, including with respect to modern slavery and human trafficking. The training also requires all employees to speak up should they suspect that a violation of human rights laws has occurred or is about to be committed.
- All targeted individuals acknowledge and accept Code of Business Conduct: every year, we require directors, officers and employees to read, acknowledge and agree to comply with our Code of Business Conduct, which includes a clear expectation to conduct business in a way that respects human rights in every jurisdiction in which we operate by

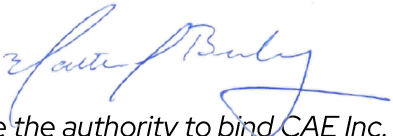
treating our employees, and people working for our suppliers, with dignity and promoting fair employment practices. The Code acknowledgment process was completed in FY26.

- Number of instances of child labour, modern slavery or human trafficking: No issues or concerns were reported via our internal reporting channels, including our EthicsPoint website and call centre. In addition, no alert was received via our third-party risk monitoring tool.
- As CAE's human rights program continues to mature, coverage and disclosures may be progressively expanded, including the introduction of additional indicators demonstrating effectiveness across supply chains and operations.

Approval

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act (Act)*, and in particular section 11 thereof, I, in the capacity of President and Chief Executive Officer, attest that I have reviewed the information contained in the report on behalf of the governing body of the entities listed in Appendix A. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

This statement has been approved by the Board of Directors of CAE Inc., as the parent entity of the entities listed in Appendix A, on May 21, 2026.



I have the authority to bind CAE Inc.

Matthew Bromberg

President and Chief Executive Officer

APPENDIX A – CAE INC. AND SUBSIDIARIES

This statement is prepared pursuant to Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act for the following entities:

- CAE Inc.
- CAE International Holdings limited
- CAE Military Aviation Training Inc.

This statement is prepared pursuant to the United Kingdom’s Modern Slavery Act 2015 for the following entities:

- CAE Inc.
- CAE STS Limited
- CAE (UK) plc

