



Annual and special meeting 2025

Speeches

English version

**Calin Rovinescu, C.M. – Chairman of the Board
Marc Parent, C.M. – President and CEO
Matthew Bromberg – Incoming President and CEO**

Wednesday, August 13, 2025

1. Chairman of the Board opening remarks (5-7 minutes)

Welcome and context

Good morning, ladies and gentlemen. Good morning, ladies and gentlemen. My name is Calin Rovinescu, Chair of CAE's Board of Directors. On behalf of the Board and CAE's management team, it is my pleasure to welcome you to the 2025 Annual and Special Meeting of Shareholders.

We are holding the meeting in a hybrid format, which allows all shareholders and appointed proxyholders, regardless of their geographic location, to attend, participate in real time and vote at the meeting online through a web-based platform or join us on-site to engage directly with shareholders, board members, and the management team. Guests are also welcome to attend and listen to the meeting via the live webcast.

The meeting will be conducted in both French and English. You can listen to the webcast and view the presentation slides in either French or English. If you wish to change languages, click on the language icon shown on the top right side of your screen.

And now, for introductions.

I'm here in Montreal, Québec on kanien'kehá ka (GAH-nee-en-ge-ha-gah) territory along with members of our executive management team, namely:

- Marc Parent, our President and Chief Executive Officer and Director;
- Matthew Bromberg, our incoming President and Chief Executive Officer;
- Mark Hounsell, Chief Legal and Compliance Officer, and Corporate Secretary, who will be acting as the secretary of this meeting; and
- Samantha Golinski, Vice President, Public Affairs and Global Communications, who will be acting as moderator with respect to any questions you may have.

Thank you to our shareholders for joining us in person and to those tuning in online from around the world.

Fiscal 2025 was a year of achievement and transformation. We delivered record results and executed a leadership transition that positions CAE for the future.

This is a pivotal moment for the company – a new era of leadership, built on the strong foundation of performance that defines CAE.

Role transition

Before I talk about what's ahead, let me take a few minutes to discuss evolving governance at the Board level. After this Annual Meeting, I will become Executive Chairman of CAE. In this role, in addition to responsibility for the effective functioning of the Board, I will remain engaged in the development and execution of the company's strategic initiatives. Beyond that, I'll also represent CAE globally – deepening relationships with investors, governments, and defence and security partners in a world of shifting priorities and new opportunities.

Matt as our new President & CEO will have full responsibility for the company's daily management and to develop and execute the strategy, supported by his leadership team. Together, we will focus on shaping our long-term strategy, ensuring disciplined capital allocation, and creating sustainable value for shareholders.

Also, Sophie Brochu will be taking on a new role as Lead Independent Director, reinforcing best in class governance practices under our new structure.

Let me now take a moment to welcome the new directors who have joined us since last year's AGM: Peter Lee of Browning West, Katherine Lehman, a partner at Palladium, and Louis Têtu from Coveo.

I'll take this opportunity to recognize our outgoing Board members as well. On behalf of the Board, I'd like to thank Alan MacGibbon for his service and leadership as a director and Board Chairman. We're also grateful to directors Peg Billson, François Olivier and David Perkins. They've all made valuable contributions during their tenure, and helped drive CAE's growth. Thank you all.

As we look forward, we are approaching this evolution with continuity in CAE's values, and confidence in our future.

Tribute to Marc Parent

But before I go any further, it is my privilege to recognize someone whose leadership has defined CAE for more than 16 years – Marc Parent.

Marc has received many accolades from the industry over the years. Among others, he was named a Living Legend of Aviation, inducted into Canada's Aviation Hall of Fame, and appointed to the Order of Canada, one of our country's highest civilian honours. As a former CAE customer myself through Air Canada, I can tell you that Marc is not only recognized in the aerospace and aviation communities, but deeply respected within these circles as well.

During his tenure as CEO – and over two decades with CAE – Marc transformed this company from a simulator manufacturer into a global training and mission

systems powerhouse. He is widely credited with instilling a deeply customer-centric culture across the organization that continues to define how CAE's 13,000 employees serve partners and stakeholders every day. Today, approximately 60 percent of our annual revenue comes from recurring training services. With Marc at the helm, CAE's revenue has more than tripled over the last 15 years, from \$1.5 billion in fiscal year 2010 to \$4.7 billion in fiscal year 2025. During that same period, CAE's stock price rose from approximately \$8 per share to \$40 per share. Including dividends, this represents a total shareholder return of over 520 percent.

Marc strengthened our competitive moat, championed innovation, and ensured that CAE's purpose, to make the world safer, was always front and centre.

Marc, on behalf of the Board, our employees, and our shareholders – thank you for your extraordinary leadership and enduring legacy.

Introducing Matthew Bromberg

And now, let's look to the future. Today, we proudly welcome our new President and Chief Executive Officer, Matthew Bromberg – a leader ready to build on this legacy with a fresh perspective to propel CAE forward.

His appointment followed a comprehensive international search. What stood out the most for me and the Board is Matt's rare balance of IQ and EQ – a leader who combines strategic insight, operational depth, and strong emotional intelligence. He also brings deep experience from senior leadership roles in aerospace and defence, including at Northrop Grumman, Raytheon, and Pratt & Whitney. This distinctive blend of expertise and leadership convinced us that he is exceptionally well-suited to lead CAE into its next chapter.

Equally important, Matt understands what makes CAE unique – our people and our roots as a Quebec-headquartered global company. He is committed to protecting and strengthening CAE's culture of excellence, innovation, and customer focus, while embracing the local heritage that reflects our identity. He and his family are relocating to Montreal, and he's already learning French – a clear sign of commitment.

Matt, it is a privilege to introduce you as you join our leadership team. Your arrival signals new energy and confidence that CAE is ready for an exciting future.

Together, we are moving forward – building on our strengths and embracing the opportunities ahead.

Let's now move to today's agenda.

Formalities

2. Agenda
3. Forward-looking statements
4. Call to order
5. Constitution of Meeting
6. Appointment of scrutineer
7. Establishment of quorum
8. Meeting regularly constituted
9. Technical features and voting
10. Minutes of 2024 Annual and Special Meeting
11. Financial statements and Auditors' report
12. Election of Directors
13. Appointment of Auditors
14. Advisory Vote on Executive Compensation
15. Approval of Amendments to the General By-law of CAE Inc.
16. Last Call for Voting
17. Voting Results

18. Chairman of the Board, CEO's and incoming CEO's Address to Shareholders

Chairman of the Board – Review of the Year (8-10 minutes)

Financial Highlights

Let's now take a moment to reflect on the year that just passed. Fiscal 2025 was one of the most significant years in CAE's history – a year that strengthened our foundation and prepared us for long-term growth.

We delivered record revenue of \$4.7 billion, up 10 percent from last year. Adjusted segment operating income reached \$732 million, up 33 percent from \$550 million in fiscal year 2024, highlighting the strength of our core performance. Free cash flow was \$814 million – increasingly disciplined capital management in action. And our adjusted backlog reached \$20.1 billion – up 65 percent – giving us unmatched visibility and long term stability.

These results reflect a balanced business model and solid execution across both Civil Aviation and Defense & Security – diversification between markets supported by powerful long-term tailwinds.

Civil aviation

Looking at Civil Aviation, air travel continues to expand worldwide. The two largest aircraft manufacturers hold a combined backlog of more than 17,500 aircraft, and the global fleet is expected to nearly double over the next two decades. CAE estimates that 300,000 new pilots will be needed globally in the next 10 years. That scale of demand creates both responsibility and opportunity for CAE.

Our Civil business delivered revenue of \$2.7 billion, up 11 percent, and adjusted segment operating income of \$581.5 million, up 6 percent. Civil adjusted backlog reached a record \$8.8 billion, reinforcing our position as the world's leading training partner.

To meet demand, we have ramped up several recently opened training centres to increased operational capacity, launched our new Air Traffic Services Training Centre in Montreal in partnership with NAV CANADA, renewed a long-term partnership with Flexjet, and increased our stake in SIMCOM to strengthen our offering in high-growth markets. We also expanded our Embraer E2 training footprint with a full-flight simulator to support fleets across Europe, the Middle East, and Africa, and announced E2 pilot training in Montreal for Porter Airlines. In business aviation, we opened our first dedicated training centre in Central

Europe, in Vienna, reinforcing our commitment to bring training closer to customers and expanding our capabilities for aircraft such as the Gulfstream G550 and Pilatus PC-24.

On the technology side, we rebranded our airline operations digital solutions under the name *Flightscape – Powered by CAE*, delivering real-time insights that help airlines optimize operations and reduce disruption costs, and launched a new feature called the Unified Task Board, which brings even greater efficiency and visibility to airline operations. We also announced a long-term partnership with Allegiant and renewed agreements with Spirit Airlines and Air India.

Our business aviation training activity continued to grow across North America and Europe, reflecting the sustained strength of the sector and the value of CAE's global network and advanced training tools.

Defense & Security

Now, let's shift gears to Defense & Security. Defence markets are in the early stages of a generational investment cycle. Across NATO and allied nations, governments are increasing budgets to modernize forces and strengthen mission readiness with initiatives like the EU's ReArm strategy.

Notably, here in our core home market of Canada, where we are the nation's leading defence partner, we see a powerful, renewed momentum. Canada is set to reach 2% of GDP on defence spending this year, five years ahead of schedule, and has committed to spending 5% of its GDP by 2030. Similarly, NATO as a whole is now discussing targets as high as 5% in response to increased security concerns. Clearly, simulation and integrated training solutions are at the core of these strategies – and CAE is well positioned to lead.

This segment delivered one of its strongest years ever. Revenue reached \$2 billion, up 8 percent, and adjusted segment operating income improved significantly. Testimony to the generational investment and our strong position in the market, our adjusted backlog doubled, surging to \$11.3 billion. That's clear momentum in a sector undergoing transformation.

At the centre of this success is the \$11.2 billion Future Aircrew Training (FAcT) program in Canada – awarded to SkyAlyne, our joint venture with KF Aerospace – marking the largest contract in CAE's history. This program will define aircrew training for the Royal Canadian Air Force for decades. Furthermore, we were named a strategic partner for Canada's Future Fighter Lead-in Training program – a reflection of CAE's role in preparing the next generation of fighter pilots. We also advanced collaboration with Saab on the Canadian Patrol Submarine

Project to ensure mission and operational readiness of the Royal Canadian Navy.

Beyond Canada, we expanded our leadership in the U.S. with wins such as flight training services for the U.S. Air Force on KC-135 aircraft, U.S. Army's Flight School Training Support Services contract and continued progress on the Simulators Common Architecture Requirements and Standards program. These programs position CAE at the heart of two of the largest defence training initiatives in North America.

Internationally, we were awarded a contract by the Italian Air Force to deliver training system on MQ-9A Reaper, and extended our partnerships with Sikorsky on advanced technologies such as Magnetic Anomaly Detection.

These wins are not just contracts – they are strengthening our role as a trusted partner in the modernization of allied defence forces.

What makes this performance even more significant is that we achieved it while improving margins through disciplined execution – creating a solid foundation for sustainable growth in Defense & Security.

Innovation and Sustainability

Now, let's turn to innovation and sustainability – two pillars of CAE's strategy. We expanded *CAE Connect*, our customer-facing app, to over 5,500 business aviation users, creating the largest connected training ecosystem in the industry. *CAE Prodigy*, our next-generation visual system, began delivery to clients this year. Meanwhile, our new immersive application for Apple Vision Pro is now being recognized as a flagship example of spatial computing in aviation used to help pilots familiarize themselves with the flight deck. A testament to its impact, CAE was acknowledged by both Apple's CEO, Tim Cook, and CFO during the latest earnings call.

Sustainability is also core to our purpose. In FY25, we advanced our decarbonization roadmap, which was validated by the Science Based Targets initiative, and we launched *CAE Resilient Together* to engage and align suppliers with our climate commitments. We also implemented new processes to track progress and integrate sustainability into business decisions. We're starting to leverage the shadow Internal Carbon Price, a process that helps us factor the environmental cost along with the financial cost for major, long-term investments.

Our initiatives earned us recognition among the World's Most Sustainable Companies and as Canada's Top Defence Company.

Today, sustainability is no longer just about compliance – it's a competitive advantage that's driving value for our company.

Looking ahead

So, what's next? The fundamentals remain strong and enduring. Civil Aviation is buoyed by structural demand for pilots and aircraft. Defence spending continues to grow as allied nations prioritize readiness and modernization. Technology and sustainability give CAE an edge and ensure we remain relevant and have a positive impact in an evolving world.

In the coming year, we will continue to prioritize disciplined capital deployment – reducing leverage toward our target ratio and generating strong free cash flow that supports both strategic investment and returning value to shareholders.

In Defense & Security, we will leverage our global diversification. With programs underway in Canada, the U.S., and across allied nations, CAE is well positioned to deliver integrated, interoperable training solutions that support modernization across multiple domains.

To our 13,000 employees – thank you for your commitment and professionalism.

Your expertise and dedication make our success possible.

CAE is stronger than ever – and the future is ours to shape.

Marc, thank you for your vision and leadership. The floor is yours.

Farewell remarks – Outgoing CEO (~4–5 minutes)

Good morning everyone.

Thank you, Calin, for that introduction. And thank you to all of you for being here today.

Leading CAE for the past 16 years has been the honour of my career – a period marked by bold moves, and an unwavering commitment to our mission. In 2009, I stepped into this role with a clear goal: to help unlock CAE's potential and drive meaningful evolution. Today, it stands as a global leader – driven by innovation, purpose, and above all, the strength of our people. That transformation didn't happen by chance; it happened because of discipline, sharp execution, and the strategic focus that have defined CAE's success.

Over these years and across civil aviation and defence, we built a company with true balance — expanding into new markets, launching breakthrough solutions, and strengthening our financial and operational foundations. We turned CAE from a simulator manufacturer into an undisputed global partner in training and mission systems.

Looking back, what makes this journey remarkable is how we relentlessly adapted and innovated – through change and disruption – always keeping performance and safety as our North star. We exist to make the world safer – a

noble mission that goes beyond business metrics and underscores the unparalleled responsibility we carry every day.

And our customers have always been at the heart of everything we do. Our enduring, deep relationships have allowed us to understand their needs and anticipate challenges to deliver solutions before they even ask. Whether they were airlines, pilots, operators, defence & security forces, regulators or governments, it has been a true privilege to serve our customers as their trusted partner and to help them prepare for the moments that matter most.

Today, CAE is stronger than ever with the fundamentals and the resilience to deliver value for the long term.

I want to thank our instructors, engineers, technicians, support staff, and everyone in between for their dedication, their grit, and their belief in what we do. As I like to say, without our employees, we are merely a collection of buildings with a logo on it. But if you put our employees anywhere in the world, well, you've got CAE.

As I hand over to Matt Bromberg, I do so with confidence. Matt brings the experience, vision, and leadership this company needs for what's next. He understands the responsibility and the scale of the opportunity ahead, and I

know he will carry CAE forward with the same sense of purpose that has always guided us.

This is not a farewell; it's a new chapter. CAE will always be part of who I am, and I'll be cheering you on from the sidelines.

Thank you for the opportunity to lead this remarkable company.

And now, it's time to start the next leg of CAE's journey, and there's no better person to take the controls than Matt Bromberg. Matt, over to you.

Vision and outlook – Incoming CEO (4–5 minutes)

Merci, Marc. It's an honour to follow you and build on everything you've achieved. Bonjour tout le monde. It's a privilege to speak to you today for the first time as CAE's incoming President and CEO, a role I will formally assume following this meeting.

CAE is an extraordinary company with a proud history and a clear sense of purpose.

First, I want to thank the Board for their confidence, and Calin for his partnership. I look forward to working alongside Calin as Executive Chairman—his insight and experience will be invaluable.

I also want to thank Marc Parent once more for his partnership in this transition. Over the past few months, Marc has not only shared his insight but truly opened the doors of CAE's inner workings. He introduced me to the teams behind the scenes where execution happens, walked me through the critical decisions that have shaped this company, and partnered closely with me to ensure a smooth handoff. Marc, your leadership over 16 years has made CAE a company admired around the world, and I'm grateful for the guidance you've given me throughout this transition.

Since joining CAE in June, I've been listening and learning. I had the privilege to join in at Paris Air Show, the largest aviation and aerospace event in the world. And what really impressed me is that every conversation – with partners, suppliers and, most importantly, our customers – they consistently spoke to CAE's professionalism, technical leadership, and customer focus.

I've met teams in Montreal and across the world, engaged with customers and partners, and joined strategic discussions with leadership. Everywhere I've been, I've seen the same qualities: professionalism, pride, and a deep commitment to excellence. It reminds me why I chose to join this company – a mission that matters, and people who care about delivering it.

My focus now is on understanding where we can go further. That means building on what works, continuing to improve operational performance, and to keep innovating. We'll focus on operational efficiency and capital allocation, and on generating strong cash flow to create sustainable value for shareholders. I see real potential to leverage our advanced defence technologies more broadly across CAE's portfolio, including in commercial aviation. At the same time, we can drive greater efficiency by applying commercial best practices within our Defense business. This cross-pollination of innovation and efficiency can unlock new value, enhance customer outcomes, and support higher returns. As we

focus on efficiency, we will relentlessly maintain our commitment to our customers, to quality and to safety.

With my background in defence, including service as a U.S. Navy submarine officer, I also understand how critical CAE's role is in mission readiness for allied forces. That's not only a responsibility, but it's also an extraordinary opportunity.

And yes – I'm already learning French and I'm looking forward to calling Montreal home. It's one of the world's great aerospace hubs and an exceptional community. My family and I are excited to be here.

To our employees: thank you for the warm welcome – you are CAE's strength. To our customers and partners: thank you for your trust – we will keep earning it. To our shareholders: thank you for your confidence – I'm committed to creating sustainable value through strong execution and smart growth.

This is an exciting time for CAE. We have a clear mission, solid fundamentals, and the talent to capture the opportunities ahead.

I'm honoured to lead this next phase, and I look forward to what we will accomplish together.

Merci

19. Shareholder Question Period

20. Termination of Meeting