



SECTION 32: HUMAN RIGHTS POLICY	Issued: May 25, 2018
	Supercedes: May 30, 2017

1.0 Introduction

CAE considers the respect of human rights to be a fundamental corporate responsibility and a value governing all our activities. We place the highest importance on respecting human rights in the conduct of our business activities everywhere we operate. We expect the same of all our business partners.

In fiscal year 2016, we signed the United Nations Global Compact. As a signatory, we are committed to actively upholding – through our strategies and across our operations – its ten fundamental principles in the areas of human rights, labour, environment and anti-corruption.

How we act on this commitment is outlined in our various policies and codes, including our:

- Code of Business Conduct
- Anti-Corruption Policy
- Policy against Harassment
- Conflict Minerals Policy
- Global Environmental Policy
- Global Health and Safety Policy
- Data Privacy Policy

With a view to continuously improving our rigorous governance and management of ethical conduct and supporting processes, we are currently exploring additional mechanisms to assess our impact, risks and opportunities in areas linked to human rights.

2.0 Responsibility

At CAE, ensuring we uphold our commitment to respect internationally recognized principles of human rights is everyone's responsibility. The Board of Directors, through its Governance Committee, and the Corporate Social Responsibility Committee, chaired by the Vice President, Public Affairs and Global Communications, has the overall responsibility for monitoring human rights issues, and developing guidelines and initiatives to support related policy and program implementation and risk mitigation.



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3.0 Commitments

In support of this commitment, we uphold the following and expect all employees and contractors at all levels, as well as our business partners, to act accordingly.

4.0 Health & Safety

At CAE, we are dedicated to providing a safe working environment and encouraging safe behaviors in all of our facilities and operations. We work to protect our employees and contractors from occupational illness and work-related accidents, and to promote their health and well-being.

5.0 Child Labour

CAE does not support and will not engage in the use of child labour at any of our operations. In this respect, we abide by all applicable laws in the countries where we operate. Our business partners are required to not use child labour.

6.0 Forced or Compulsory Labour

CAE does not support and will not use forced or compulsory labour at any of our operations. Our business partners are required to not use forced or compulsory labour.

7.0 Freedom of Association

CAE recognizes, and expects its business partners to recognize, the principle of freedom of association and the right to collective bargaining as they exist under applicable laws in the countries where we operate.

8.0 Respect and Dignity

CAE is committed to treating all employees fairly, ethically, respectfully, and with dignity. We strive to protect our employees from harassment, bullying and victimization in the workplace, including all forms of sexual, physical and psychological abuse.

9.0 Discrimination

CAE supports diversity and employment equity. We offer equal employment opportunities without regard to any distinctions based on age, gender, sexual orientation, disability, race, aboriginal status, religion, citizenship, marital status, family situation,



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country of origin or other analogous grounds, in accordance with the laws and regulations of each country where we do business.

10.0 Implementation

Our governance and review processes enable us to identify, monitor and follow up on various risk and mitigation measures. These processes include review of geopolitical heat maps, review of government debarred and denied parties lists and health, safety and environment site evaluations and other mechanisms that contain human rights considerations. In addition, our due diligence examinations of potential business acquisitions and expansions includes the consideration of human rights risks.

11.0 Grievance Mechanism

If anyone, including employees, customers, suppliers, partners or other third parties, has questions, needs guidance or has grounds to believe a violation has occurred, they have many resources available to them, including:

- Direct dialogue (as applicable):
 - A direct supervisor;
 - A human resources representative;
 - A legal services representative;
 - An internal auditor;
 - A union or Works Council representative;
 - The next level of management.
- CAE's Ethics Point
 - Concerns may be raised by Internet at www.ethicspoint.com
 - By phone: +1 -866-294-9551
- EthicsPoint is a free, independent and confidential reporting system, available 24 hours a day, 7 days a week, anywhere in the world. Its website and call center services are offered in multiple languages.

All inquiries about potential breaches or violations will be handled promptly and discreetly and CAE is committed to taking appropriate remedial action.

CAE's **Code of Business Conduct** may be consulted for more information.

12.0 Reviewing and Monitoring



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We continuously evaluate opportunities to improve our policies and programs related to respecting human rights. As CAE puts increased focus in this area, the initiatives associated with this Human Rights Policy will advance over time.

We welcome stakeholder feedback and we are committed to engaging with all our stakeholders on human rights issues. For any inquiries or comments please contact communications@cae.com.



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POLICY GOVERNANCE

Policy Details

Primary Contact	Hélène V. Gagnon
Required Executive Approvals	Chief Executive Officer Chief Financial Officer General Counsel, Chief Compliance Officer and Corporate Secretary Vice President, Human Resources Vice President, Strategy and Investor Relations Vice President, Global Engineering, Operations and Innovation
Board/Committee Approvals	Governance Committee
Review Cycle	Every 2 years

Revision History

Date	Changed by	Description
May 30, 2017	Hélène V. Gagnon	Initial Approval
May 24, 2018	Hélène V. Gagnon	Annual Review