



<b>SECTION 32:</b>  <b>HUMAN RIGHTS POLICY</b>	Issued: May 18, 2022
	Supercedes: May 21, 2020

1.0 Introduction

We consider 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 our suppliers, contractors and 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. We are also committed to following the core and social standards of the International Labour Organization (ILO) as well as all laws and regulations applicable where we conduct business.

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

- [Code of Business Conduct](#)
- Supplier Code of Conduct
- [Anti-Corruption Policy](#)
- Gifts, Entertainment and Business Courtesies Policy
- Policy on Diversity and Inclusion in the Workplace
- [Conflict Minerals Policy](#)
- Global Environmental Policy
- [Global Health and Safety Policy](#)
- Data Global 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 Purpose

The purpose of this policy is to reaffirm our commitment to the internationally recognized United Nations Universal Declaration of Human Rights and to support adherence to the Declaration's principles with all means at our disposal, with a view to continuously improving our governance and risk processes with respect to human rights.

3.0 Responsibility

A. Governance Committee and CSR Committee



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The Board of Directors, through its Governance Committee, and the Corporate Social Responsibility Committee, chaired by the Chief Sustainability Officer and Senior Vice President, Stakeholder Engagement, has the overall responsibility for monitoring human rights issues, and developing guidelines and initiatives to support related policy and program implementation and risk mitigation.

**B. Global Ethics and Compliance**

The Global Ethics and Compliance Office is responsible for overseeing the implementation of compliance processes as part of its oversight responsibilities with respect to CAE’s ethics and anti-corruption, privacy, data protection and general compliance programs.

**C. Global Strategic Sourcing Group**

The Global Strategic Sourcing Group is responsible for implementing CAE’s Supplier Code of Conduct and maintaining compliance processes for suppliers and contractors throughout the supply chain.

**D. All Employees**

All managers and employees at all levels are expected to accept, comply with, and promote the agreed principles contained in this policy.

**4.0 Commitments**

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

**A. Child Labour**

We do not support and will not engage in the use of child labour at any of our operations. We also forbid ourselves from using suppliers, contractors and business partners that use child or forced labour in their operations. The term "child" refers to any person under the legal employment age in the country where the work is performed, on the additional condition that this legal age complies with the provisions established by the ILO.

**B. Modern Slavery and Human Trafficking, including Forced, Bonded or Indentured Labour**



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We are committed to complying with all applicable laws and regulations prohibiting modern slavery and human trafficking (including forced or compulsory labour). We are dedicated to protecting our people from any form of modern slavery and human trafficking by promoting our core values. We consider that all work should be voluntary on the part of our employees and those who work for our suppliers, contractors and business partners.

**C. Respect and Dignity**

We are 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 physical, psychological, sexual, and verbal harassment, as well as all other forms of abusive behaviour.

**D. Equal Opportunity and Non-Discrimination, including Diversity and Inclusion**

We support diversity, inclusion and employment equity. We offer equal employment opportunities without regard to any distinctions based on any personal trait. No one at CAE may be unfairly treated, discriminated against, harassed, excluded, or given preferential treatment on account of their nationality, colour, ethnic or social origin, marital or family status, pregnancy or maternity, religion or belief, age, disability, physical constitution, appearance, sexual orientation, ideology and political opinion, sex, or membership of a party or as an employee or trade union representative.

**E. Working Hours**

We are committed to complying with applicable legal provisions regarding maximum working hours in the jurisdictions where we operate.

**F. Health & Safety**

We are dedicated to providing a safe working environment and encouraging safe behaviours in all of our facilities and operations. We ensure the health, safety and welfare of our employees and others who may be affected by our activities. We work to protect our employees and contractors from occupational illness and work-related accidents, and to promote their health and well-being in compliance with our Health and Safety Policies and Procedures.

**G. Social Dialogue and Freedom of Association**



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

5.0 Implementation

A. Awareness Training

At CAE, our employees are required to follow training on the contents and importance of the Code of Business Conduct and related policies. These training sessions educate employees in every country where we operate about the standards of conduct that apply to their duties. The training contains a variety of situational questions related to ethics and integrity for learners to navigate, applying the principles and values of the Code.

We also undertake to provide awareness training on human rights, modern slavery and human trafficking on a periodic basis to certain employees in high-risk areas (including those involved in our supply chain) and the managers of our business units.

B. Working with Suppliers, Contractors and Business Partners

All suppliers, contractors and business partners are expected to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. A Supplier Code of Conduct has been implemented, which sets forth the minimum ethical standards that suppliers and contractors parties must follow when working with us. The Global Strategic Sourcing group is responsible to ensure that suppliers and contractors acknowledge the Supplier Code of Conduct.

Further, before making any commitments towards a supplier, contractor or business partner, we take reasonable steps to appropriately evaluate the business relationship and mitigate any associated risks by carrying out due diligence as may be dictated based on human rights risks. The Global Strategic Sourcing group is responsible for conducting supply chain risks and ensuring that adequate measures are implemented to address human rights.

C. Other Governance Processes

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; health, safety and environment site

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evaluations; and other mechanisms that contain human rights considerations. In addition, our due diligence examinations of potential business acquisitions and expansions include the consideration of human rights risks.

6.0 Grievance Mechanism

If anyone, including employees, customers, suppliers, business 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](http://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. The EthicsPoint website and call centre service provide employees, customers, partners and suppliers with simple, risk-free ways to confidentially report issues of concern associated with unethical or illegal activities.

We welcome stakeholder feedback and we strongly encourage our employees and any party we conduct business with to come forward if they notice or become aware of an activity of concern, including potential breach of this Human Rights policy, of our Code of Business Conduct and of our Supplier Code of Conduct. Our Internal Reporting/Whistleblowing Policy governs the handling of activities of concern.

All inquiries about potential breaches or violations will be handled promptly and discreetly and we are committed to taking appropriate remedial action. In the event a misconduct is confirmed, we consider not only appropriate disciplinary action for the employees involved, but also engage in a root cause analysis of the misconduct. The engagements of our suppliers and contractors are governed by the Supplier Code of Conduct including for Human Rights



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matters. If its principles are not respected, we will review the business relationship and shall take corrective action in accordance with the relevant business contract(s). If no corrective action is taken, we may go so far as to end the business relationship in accordance with the relevant business contract(s).

#### 7.0 Reviewing and Monitoring

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 are committed to engaging with all our stakeholders on human rights issues and to consider feedback that help us identify best practices, potential risk areas and opportunities in the future development and improvement of our program and of this policy. For any inquiries or comments please contact [communications@cae.com](mailto:communications@cae.com) or [ethics-and-compliance@cae.com](mailto:ethics-and-compliance@cae.com).



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**POLICY GOVERNANCE**

**Policy Details**

<b>Primary Contact</b>	Hélène V. Gagnon, Chief Sustainability Officer and Senior Vice President, Stakeholder Engagement
<b>Required Executive Approvals</b>	Chief Executive Officer Executive Vice President, Finance and Chief Financial Officer General Counsel, Chief Compliance Officer and Corporate Secretary Senior Vice President, Global Human Resources Senior Vice President, Investor Relations and Enterprise Risk Management Senior Vice President, Civil Flight Services & Global Manufacturing Operations
<b>Board/Committee Approvals</b>	Governance Committee
<b>Review Cycle</b>	Every three years

**Revision History**

<b>Date</b>	<b>Changed by</b>	<b>Description</b>
May 30, 2017	Hélène V. Gagnon	Initial Approval
May 24, 2018	Hélène V. Gagnon	Annual Review
May 21, 2020	Hélène V. Gagnon	Biennial Review
May 18, 2022	Hélène V. Gagnon	Substantial review with the support of Global Ethics and Compliance.