



# 2025 Report – Fighting Against Forced and Child Labour in Supply Chains



This report is prepared by Top Aces Inc. (“**Top Aces**” or the “**Corporation**”) and constitutes a joint report for Top Aces Holdings Inc. (“**TA Holdings**”) and Top Aces Inc. for the financial year ended December 31, 2025 (the “**Reporting Period**”), in accordance with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). The report outlines the policies, controls, and activities implemented by Top Aces during the Reporting Period. This submission represents the Corporation’s third annual report pursuant to the Act.

The scope of this report focuses on activities related to the importation of goods into Canada and associated supply chains. It covers the Corporation and its wholly owned subsidiaries, excluding those entities and operations that do not produce goods in Canada or elsewhere or import goods produced outside Canada.

As a leader in global defence training, Top Aces is guided by its Purpose, Mission, Vision, and Values, and is firmly committed to upholding fundamental human rights and ethical business practices as established under the principles of the International Labour Organization and the Organisation for Economic Co-operation and Development. The Corporation prohibits and actively seeks to prevent the use of forced or child labour within its operations and supply chains. This commitment is embedded within Top Aces’ Code of Conduct and broader Environmental, Social and Governance (“**ESG**”) Policy, both of which apply to all Top Aces’ employees, contractors, and business partners.

Top Aces’ ESG Policy is publicly available on the Corporation’s website ([www.topaces.com](http://www.topaces.com)) and is governed by the Board of Directors, which exercises oversight of the Corporation’s operations, oversight of compliance with applicable laws, and adherence to approved corporate policies.



## **Corporate Structure and Operations**

Top Aces is a privately owned Canadian corporation headquartered in Montreal, Quebec, Canada. During the Reporting Period, the Corporation employed approximately 295 employees across Canada and Europe. TA Holdings did not have any employees during the Reporting Period. Oversight of the Corporation is entrusted to the Board of Directors of TA Holdings, which provides governance, strategic direction, and compliance oversight.

Top Aces delivers adversary air (ADAIR) services and joint terminal attack controller (JTAC) technology and training to armed forces across North America and Europe. These mission-critical services enhance the operational readiness of military forces through advanced, cost-effective training solutions that provide real-world experience while extending the service life of government aircraft fleets.

The Corporation's primary operating bases are located in Canada and Germany, with additional deployment activity conducted in support of customer requirements. Top Aces owns and operates former military aircraft to deliver its training services, with flight operations and maintenance activities regulated by Transport Canada and approved by applicable national military authorities.

## **ESG Framework and Culture**

Top Aces continues to advance its ESG journey by integrating environmental stewardship, social responsibility, and strong governance throughout its operations. The Corporation maintains a structured framework to support continuous improvement in environmental performance, regulatory compliance, and risk management.

From a social and governance perspective, Top Aces strives to foster a safe, inclusive, and engaged workplace culture that promotes accountability, innovation, and ethical conduct. The Corporation maintains high standards of corporate governance and regulatory compliance, reinforcing a culture of integrity across all levels of the organization.

## **Risk Management and Supply Chain Oversight**

Top Aces employs a risk-based approach to identify, assess, and mitigate risks relating to its operations and business relationships. As a civilian air operator providing defence services, the Corporation is subject to extensive regulatory oversight and regular audits addressing areas such as airworthiness, export controls, quality management systems, sanctions compliance, anti-corruption measures, and international trade controls.

The Corporation's supply chains support both modern military and civil aviation sectors and are predominantly located in G7 countries and the European Union. Suppliers are subject to formal qualification and approval processes aligned with applicable regulatory and quality standards (including CAR, FAA, EASA, ISO, and AS standards). Supplier performance is monitored and periodically reviewed. Identified non-conformances are documented and may result in corrective action requirements or supplier deactivation if issues are not adequately addressed.

These controls reduce exposure to forced or child labour risks by prioritizing procurement from approved and regulated suppliers operating within established legal and regulatory frameworks, supplemented by internal qualification processes, ongoing monitoring, and contractual compliance requirements.

## **Procurement Controls and Supplier Standards**

In support of its international operations and continued expansion, Top Aces has maintained and further standardized its global procurement and sourcing practices. ESG considerations, including human-rights risk awareness, are incorporated into procurement governance and supplier oversight.

The Corporation has implemented a Supplier Code of Conduct, which establishes mandatory requirements for primary suppliers and outlines expectations relating to compliance with applicable laws, ethical business practices, environmental responsibility, import/export controls, anti-corruption measures, and labour standards. The Supplier Code of Conduct explicitly prohibits the use of forced or child labour within suppliers' operations and supply chains.

All new suppliers are required to acknowledge the Supplier Code of Conduct and relevant ESG policies as part of the onboarding process. Procurement contracts include binding obligations requiring suppliers to comply with these standards and with the Act, including obligations to provide information, cooperate with audits or inquiries, and support any remediation measures.

## **Training and Awareness**

All employees and contractors of Top Aces are subject to training where required covering corporate governance, ethical conduct, and relevant corporate policies. Training requirements are administered and recorded through the Corporation's Learning Management System (LMS), with refresher training conducted on a recurring basis as required.

During the Reporting Period, Top Aces formalized and expanded its training framework for impacted employees by introducing standardized awareness content addressing the requirements of the Act and the associated risks related to forced and child labour in supply chains. This training forms part of new-hire onboarding and will be refreshed annually. Training content is periodically reviewed and updated to reflect regulatory developments and ESG best practices.

## **Reporting, Monitoring, and Remediation**

Top Aces maintains an open reporting system accessible to all employees, which enables the reporting of concerns related to safety, quality, ethical conduct, or compliance. Reports submitted through this system are reviewed in accordance with the Corporation's Safety Management System, Quality Management System, Global Code of Conduct, and corporate values.

Based on the Corporation's existing controls, monitoring processes, and information available during the Reporting Period, no instances of forced or child labour were identified within the Corporation's operations or supply chain. Top Aces remains committed to investigating any future concerns and implementing corrective or remediation measures as appropriate.

## **Continuous Improvement**

Top Aces remains committed to continuous improvement in its ESG practices and supply-chain governance through periodic review and enhancement of its policies, processes, supplier controls, and training programs to ensure alignment with evolving legislative requirements and industry expectations, with the objective of maintaining high ethical standards across its operations and business relationships.

**Attestation**

In accordance with the requirements of the Act, and in particular Section 11 thereof, I, as a member of the Board of Directors of Top Aces Holdings Inc., attest that I have reviewed the information contained in this report for the entity or entities listed above. 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 Period.

DocuSigned by:  
*Kenneth B. Rotman*  
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Name: Kenneth B. Rotman  
Title: Member of the Board of Directors of Top Aces Holdings Inc.  
Date: May 26, 2026