



# Global Environment, Social and Governance Policy

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Issued By:	TOP ACES INC.
Policy Owners:	<i>VP Legal Affairs, General Counsel and Chief Compliance Officer Chief Human Resources Officer</i>

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## 1 INTRODUCTION & SCOPE

This policy outlines Top Aces’ (or “the Company”) approach and business practices concerning environmental, social and governance (ESG) matters. We recognize the importance of our environmental and social responsibilities, as evidenced by our stakeholders’ interests, including investors, customers, regulators, employees, and communities. Despite the unique challenges inherent to our sector, we are committed to establishing a robust foundation that ensures our relevance, resilience, and fosters sustainability and stakeholder trust throughout our ESG journey.

This document encompasses specific ESG considerations deemed pivotal for the Company, applicable across all Top Aces business units and subsidiaries.


## 2 ROLES AND RESPONSIBILITIES

### 2.1 What We Do


As a leader in global defense training, Top Aces provides adversary air (ADAIR) and joint terminal attack controller (JTAC) technology and training to armed forces across North America and Europe. The mission-critical training offered by Top Aces enhances the operational readiness of combat forces, imparting real-world experience while generating substantial cost efficiencies and prolonging the lifespan of military aircraft fleets. The Company’s overarching purpose is to maximize military readiness, preparing frontline units for deployed operations. Our focus lies not merely in increasing training volume, but in enhancing training effectiveness.

### 2.2 Our Purpose/Mission/Values

## OUR FOUNDATION...SOLID, STRONG AND UNWAVERING

<p><b>OUR PURPOSE</b></p>		<p>Prepare the next generation of combat leaders.</p>
<p><b>OUR VISION</b></p>		<p>Be the most trusted provider of innovative defense training solutions by continuously elevating the standard in an industry where “Experience Matters”.</p>
<p><b>OUR MISSION</b></p>		<p>Deliver safe and highly professional defense training solutions to ensure our customers’ current and future operational readiness.</p>
<p><b>OUR VALUES</b></p>		<p>Service, Integrity, Excellence...Together.</p>

We expect all employees to embrace Top Aces’ purpose, vision, and mission, while exemplifying our corporate values in their roles.

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### 3 ESG GLOBAL PRINCIPLES

Top Aces is committed to advancing its ESG journey, striving to bolster environmental sustainability and integrate social responsibility and robust corporate governance throughout its operations. To achieve this goal, we established a set of ESG Global Principles, serving as a comprehensive framework for further enhancing our sustainability efforts. These principles are outlined as follows:

**ENVIRONMENTAL** | Strive to continuously improve our environmental practices and performance, while ensuring compliance with applicable regulatory requirements.

**SOCIAL** | Cultivate a highly engaging and inclusive atmosphere, emphasizing an unwavering commitment to safety and innovation, while consistently striving to make a positive impact in our communities.

**GOVERNANCE** | Foster a culture that upholds the utmost standards in ethical business conduct, corporate governance, and regulatory compliance.

### 4 ENVIRONMENTAL

As a provider of defense training services to the world’s leading armed forces, Top Aces operates a fleet of modernized fighter aircraft, representing the primary source of our carbon footprint and associated environmental impact. Unlike other sectors, our industry is still in the early stages on its decarbonization journey. Safety, reliability, and performance remain paramount requirements of our customers in the armed forces. Decarbonizing the industry will require unprecedented levels of technological, financial, and business cooperation across ecosystems. Currently, there are no radical, readily available, and cost-effective technology solutions to swiftly decarbonize aviation.

Notwithstanding, Top Aces remains committed to advancing environmental stewardship. Below, we outline key focus areas aimed at fostering positive environmental impacts.

#### 4.1 Extending Lifespan of Military Aircraft Fleets


The Top Aces business model is premised on acquiring used military fighter aircraft, and subsequently upgrading/refurbishing them with relevant mission systems and avionics technology. This approach not only prolongs the lifespan of military aircraft fleets, but also contributes towards a more circular economy, reducing waste and mitigating environmental impact.

#### 4.2 Fuel Burn & Energy Efficiency

Depending on the technical specifications and aircraft type the Company operates, Top Aces generates substantial fuel savings compared to traditional military aircraft used by the armed forces, offering a more efficient alternative in terms of fuel consumption per hour. Furthermore, we are committed to exploring opportunities for further fuel burn reductions as new technologies emerge.

Moreover, the Company has invested in Live Virtual Constructive (LVC) capabilities, integrating simulation technology into training scenarios to reduce the frequency of aircraft flights. This type of training is available to customers upon request.

Regarding energy efficiency initiatives, we have implemented centrally controlled thermostats with updated temperature control settings, including timers and sensors, along with LED lighting retrofits across all Top Aces locations under our operational control or where we influence energy sourcing.

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In 2023 Top Aces introduced a Hybrid Working Model Policy, offering employees the ability to work both remotely and in the office based on their roles, providing flexibility and autonomy. This initiative reduces commuting frequency, resulting in decreased carbon emissions from vehicles. Additionally, it lowers energy consumption in office buildings, contributing to reduced overall environmental impact.

### 4.3 Waste Management Practices

Given the nature of our operations, effective waste management is a critical priority for our company. We are committed to implementing responsible waste management practices that mitigate health risks, reduce liability, and safeguard the environment, while upholding compliance with relevant laws and regulations. Our waste management strategy and protocols are outlined in our Environment, Health & Safety (EHS) Policy Manual. All Top Aces personnel are required to understand, endorse, and contribute to the implementation of our EHS Policy and its guiding principles. Specifically regarding hazardous waste, stringent measures are in place to ensure proper collection, treatment, storage, and disposal. Notably, we collaborate with reputable third-party entities that handle hazardous waste disposal with utmost safety and responsibility, alongside certified vendors enlisted for recycling purposes.

### 4.4 Paper Consumption

Top Aces has adopted various strategies and technologies to minimize paper usage at its offices. Among these are cloud-based collaboration tools and e-signature software, facilitating digital collaboration on documents and significantly decreasing the necessity for printing. Beyond promoting environmental sustainability, these tools enhance security by centralizing and securely storing data. Additionally, printer usage statistics are monitored to incentivize reduced paper consumption at our locations.

## 5 SOCIAL

At the heart of our mission, Top Aces plays a vital role in safeguarding our society and upholding democratic values by ensuring military readiness in the event our armed forces are called upon. Training is the foundation for success, and Top Aces is dedicated to providing the most advanced contracted defense training solutions, preparing customers for present and future defense and security missions.

The unwavering commitment to safety and excellence that defines us can only be realized through the expertise and dedication of each member of the Top Aces team. Therefore, fostering a deeply engaging and inclusive workplace environment, rooted in the highest safety standards and fueled by a continuous innovation mindset, is paramount to fulfilling our mission. Detailed insights into our human capital management, health and safety protocols, as well as our culture of innovation, are provided below.

Recognizing the diverse regions in which Top Aces operates, community investment serves as an important driver of social impact for the Company. Further details can be found in this document.

### 5.1 Human Capital Management Practices

At Top Aces, we firmly believe that the essence of any business lies in its people – their dedication, talent, and support. Each day, we are committed to fostering an environment where our employees can thrive and excel, in harmony with our purpose, mission, and values. People and culture form the bedrock of every established process and practice within our organization.

Our Human Resources (HR) Strategy serves as the cornerstone of our human capital management process, and is structured around four key pillars: culture, leadership, organizational design, and change management. Clear objectives and key performance indicators are defined for each pillar, ensuring alignment with our overarching company objectives.

### **Hiring and Retention**

To attract, engage and retain top talent, Top Aces offers comprehensive and competitive compensation and benefit packages. These encompass competitive salaries, benchmarked against industry standards and comparative ratios, along with group benefits and an annual incentive program tied to a performance review process grounded in goal attainment – both financial and non-financial.

### **Employee Engagement**

Employee engagement is a key area of focus for the Company, rooted in the belief that engaged employees are inherently more committed to organizational success. To underscore the importance that Top Aces places on employee engagement, a portion of our senior leadership and other key leaders' variable compensation is tied to objectives aimed at cultivating high-performance teams and culture, with employee engagement scores serving as a key performance indicator.

We conduct an annual engagement survey, supplemented by a pulse-survey launched semi-annually, to gauge employee sentiment and track progress. Both employee engagement and net promoter scores serve as vital metrics in the evaluation process.

### **Learning and Development**

Integral to the holistic employee experience at Top Aces is our commitment to providing robust learning and development opportunities that support professional growth. Upon joining the Company, all employees undergo comprehensive onboarding via our Learning Management System (LMS), covering mandatory policies and procedures. Additionally, we provide access to LinkedIn Learning for ongoing skill development, as well as a leadership training program in the form of a management bootcamp within the LMS.

### **Performance Management**

In our commitment to nurturing employee development, we place significant emphasis on the performance management process as a foundational tool for measuring progress. This process integrates both results (the 'what') and behaviours (the 'how') through the delineation of objectives and competencies within performance reviews. We have established global job levels and a competency framework as the basis for both the performance management and talent assessment processes.

At Top Aces, we want each of our employees to grow to their maximum potential, which is why we have instituted a regular check-in and feedback mechanism known as CFR (conversation, feedback, recognition). This framework provides opportunities for ongoing performance and development discussions throughout the year.

## **5.2 Diversity, Equity, and Inclusion**

At Top Aces, we embrace Diversity, Equity, and Inclusion (DEI) and have integrated these principles into our organizational philosophy, recognizing that our collective strengths lie in our diverse perspectives and backgrounds. Our goal is to foster a culture where every team member feels empowered to thrive and evolve authentically. Through DEI, we cultivate collaboration, spur innovation, improve organizational performance, and ultimately fortify our capacity to serve both our customers and communities. Our commitment to DEI not only amplifies our ability to attract and retain top talent, but also fosters a workplace where individuals can truly flourish.

We are immensely proud and fortunate to employ many veterans who, alongside our entire Top Aces team, contribute to delivering our purpose and embodying our values every day, while adhering to the most rigorous technical and operational airworthiness standards. The transition from military service to civilian life can present significant challenges for veterans. At Top Aces, we offer them a unique opportunity to continue to serve, playing an important role in nurturing veteran inclusion and empowerment.


We operate in a highly specialized industry, providing a niche service tailored to a very distinct clientele. As a result, our employment criteria, particularly for aircrew personnel, are finely tuned to specific requirements, such as hours of experience flying a fighter jet. Additionally, stringent security clearance requirements further affect our recruitment pool, compounded by challenges stemming from our geographical locations, which may limit access to certain demographic groups. Notwithstanding these complexities, we are persistent in actively pursuing avenues to enhance representation of all designated groups at Top Aces.

As our Company expands globally, the imperative to sustain competitiveness heightens, necessitating full engagement with talent both within and beyond our organization. We continue to educate our employees and managers about the organization's dedication to being an equal opportunity employer, while developing programs to ensure equitable access to the labor market for all. Our commitment transcends mere compliance; at Top Aces, we champion inclusivity as an integral part of our philosophy. We proudly stand as an equal opportunity employer, welcoming individuals from diverse backgrounds, regardless of race, nationality, colour, religion, gender identity or expression, sexual orientation, disability, or age.

Below are further details outlining specific measures and initiatives implemented or planned to strengthen and enrich our DEI culture:

- Utilization of a self-identification survey to gain insights into our employee demographics.
- Adoption of supportive practices enabling employees to leverage flexible work schedules, alternative employment arrangements, and telework options, catering to primary caregivers and accommodating medical needs.
- Integration of best practices into our recruitment and performance management processes to ensure attraction of talent from designated groups and advancement opportunities for top performers. Examples include training leaders on interview processes, employing standardized interview guides, and promoting internal job openings.
- Provision of accommodations for persons with disabilities, including physical adaptations and awareness of available resources to support them. This encompasses adjustments to workplace environments to accommodate diverse ergonomic needs and implementing return-to-work programs following disability leaves.
- Celebration of diversity and promoting an open culture within our organization. Efforts include raising awareness of protected groups and recognizing progress in representation.
- Continual reinforcement of our Anti-violence, Discrimination, and Harassment policies to foster an environment of human rights respect, ensuring employees understand both their rights and obligations.
- Implementation of measures to attract qualified candidates from diverse geographical regions including Northern communities, with incentives such as remote living allowances and relocation assistance.
- Continuous monitoring of employment equity data to pinpoint underrepresented groups and devise both short-term and long-term strategies to remove barriers.
- Integration of employment equity and unconscious bias management modules into our managerial training, leveraging our new online platform (LinkedIn Learning) as well as the LMS to continue raising awareness.
- Utilization of our employee engagement platform to provide analytics on specific employee cohorts, enabling informed decision-making and targeted interventions.



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### 5.3 Health & Safety

At the heart of Top Aces’ mission lies an unyielding commitment to safety, driving our endeavor to deliver safe and highly professional defense training solutions, ensuring our customers’ current and future operational readiness. We are proud of our unparalleled safety record boasting over 125,000 accident-free flight hours (as of Q1 2024). Safety isn’t merely a priority; it is a fundamental value woven deeply into our organizational fabric, serving as a cornerstone of our competitive edge. Given the inherent risks associated with operating fighter aircraft and delivering advanced operational training, Top Aces upholds the utmost diligence, preparedness, and adherence to safety protocols to mitigate risks and safeguard both lives and assets.

To further emphasize the critical importance of this strategic focus area and establish a solid framework for its management within Top Aces, a CEO Commitment to Safety has been disseminated to all employees, delineating the following six guiding principles:


- **Safety First:** Our guiding principle is unequivocal: safety takes precedence in every decision, action, and investment we undertake.
- **Regulatory Compliance:** We pledge adherence to all relevant safety regulations, laws, and industry standards. Our commitment extends to surpassing the requirements stipulated by aviation authorities, governmental bodies, and our customers. We diligently review and update our procedures to align with evolving safety best practices.
- **Comprehensive Training and Proficiency:** We ensure comprehensive and continuous safety training for all our employees. Empowering our workforce as safety advocates, we equip them with the requisite knowledge and resources to carry out their duties safely and proficiently.
- **Continuous Improvement:** Fostering a culture of continuous improvement, we encourage open communication and the reporting of safety concerns. Our channels are open for employees and stakeholders to voice their safety suggestions and ideas. We attentively listen, promptly investigate, and proactively implement preventive measures to address any safety issues.
- **Collaborative Partnerships:** We actively collaborate with our customers, regulatory agencies, industry partners, and stakeholders to promote and exchange best safety practices. Through collective efforts, we aim to elevate safety standards, prevent accidents, and create a safer operating environment for all.
- **Emergency Preparedness and Response:** We develop and regularly refine robust emergency response plans and procedures. Conducting exercises to validate our readiness, we ensure our personnel are adeptly trained to navigate any crisis situation with efficacy and composure.

Top Aces upholds a Global Safety Policy to provide all employees with the fundamentals of our safety approach. The policy is supplemented by comprehensive documents such as the Flight Safety Manual and the Environment, Health & Safety (EHS) Manual, which provide detailed guidance on safety protocols.

Our safety goal is unequivocal: zero preventable safety incidents. To ensure a seamless exchange of safety-related information, we have implemented the Just Culture principle, fostering an environment where the free flow of critical safety information between managers and operational personnel is encouraged without fear of reprisal. This open reporting culture forms the cornerstone of safety initiatives at Top Aces.

All safety concerns and incidents are meticulously documented and tracked within our Safety Management System (SMS), which includes a risk assessment tool for categorizing the level of risk and determining the appropriate investigative measures. Root cause analyses are performed, and corrective/preventive action plans are developed and monitored throughout implementation to ensure continual improvement and proactive risk mitigation.



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Upon onboarding, employees are expected to participate in comprehensive briefings on flight safety, the SMS, and employee health and safety protocols. Additionally, an annual safety briefing/training session is conducted for all personnel directly involved in operations, including pilots, technicians, and operations staff.

A Global Safety Committee, comprising safety representatives from all business units, convenes quarterly to address safety matters comprehensively. Furthermore, safety is integrated systematically into various organizational forums, including the weekly operations briefings, monthly business unit reviews, and quarterly updates to senior leadership and the Board.

A safety dashboard, monitoring key performance indicators and pertinent safety metrics, is reviewed during these meetings. This dashboard provides insights into safety trends, lessons learned, key risks, and mitigation strategies, both current and anticipated.

**Employee Wellness**

At Top Aces, we prioritize the well-being of our employees, recognizing its significance in fostering a thriving workforce. Through our comprehensive Employee Assistance Program (EAP) and wellness resource, Canadian employees and their families can confidentially consult with external professionals, accessing a wealth of information and support to navigate life’s challenges and find effective solutions.

**5.4 Community Investment**

Our Company is committed not only to achieving corporate excellence, but also to being exemplary contributors to our communities. Rooted in our core purpose, vision, mission, and values, Top Aces’ Community Investment Policy outlines our Pillars of Impact and defines targeted initiatives that are aligned with the economic and social priorities of local governments.

Directly linked to our Company purpose and mission, our community investment program prioritizes support for veterans, active military personnel, and their families. Our initiatives encompass a range of programs and services that directly address prevalent issues affecting the aviation and military communities. Top Aces aims to provide support through dedicated time, expertise, and financial support.

The impact pillars within our community investment program are:



To gauge the effectiveness of our community investment initiatives, specific metrics are tracked and evaluated annually, ensuring accountability and assessing our impact on the communities we serve.

**5.5 Innovation**

Innovation is an important cornerstone of Top Aces’ philosophy, essential for safeguarding our business model. We remain steadfast in our commitment to revolutionizing air combat training, leveraging our unparalleled expertise and cutting-edge technology to the advantage of our customers. Our proprietary Advanced Aggressor Mission System (AAMS), designed to provide high-fidelity threat simulation, epitomizes this commitment to innovation.

As the geopolitical landscape grows more complex, the demand for innovative, robust, and realistic adversary air training will undoubtedly surge. Embracing new technologies and innovation not only equips Top Aces to navigate forthcoming challenges, but also positions us to seize growth opportunities in an industry undergoing significant transformation driven by advancements such as artificial intelligence (AI).

The pervasive influence of AI spans various industries, and defense is no exception. AI is anticipated to play an increasingly pivotal role in air combat operations, including adversary air (ADAIR) training. At Top Aces, we're not merely keeping pace with AI's rapid evolution; we're actively shaping its trajectory through strategic investments and the development of trusted, resilient, and adaptable tactical AI solutions for defense, aerospace, and commercial applications. This investment underscores Top Aces' commitment of providing world-class training to the next generation of combat leaders, positioning us at the forefront of development and training in the future "human-machine" collaborative battlefield.

Moreover, as part of our investment in Live Virtual Constructive (LVC) capabilities, we have the capability to deliver Live-Constructive training using our own proprietary technology.

## 5.6 Trusted Supply Chain

Given the nature of Top Aces' operations and customers, strict compliance requirements govern our supply chain, particularly concerning the sourcing of aeronautical parts and services, which must be certified for the aviation business. To uphold these requirements and enable a trusted supply chain, Top Aces has implemented rigorous procedures for vendor selection and qualification.

Vendors seeking to supply aircraft parts or services must be approved by our Quality Assurance function to be included in the authorized vendor list. This approval process entails an initial validation of registration by a recognized accredited Quality Management System. In cases where accreditation is lacking, a vendor evaluation questionnaire and potentially an onsite audit will be utilized, especially for critical vendors or when information verification is necessary.

Additionally, Top Aces has established a vendor monitoring process overseen by the Quality Assurance function. This process evaluates vendor performance and determines ongoing approval status. Monitoring requirements vary based on factors such as volume of work, vendor type (Tier 1 or Tier 2), annual spend, strategic importance, and occurrence of quality issues. Reviews are conducted quarterly for Tier 1 suppliers and annually for Tier 2 suppliers, with performance measured using key performance indicators (KPI) and targets summarized in a Vendor Scorecard.

## 6 GOVERNANCE

A strong culture of good corporate governance, backed by robust policies and processes that are championed by all leaders, is paramount for sustained success over the long term. With solid governance in place, organizations are more likely to make informed decisions, earn and maintain the trust of stakeholders, and generate enduring value. At Top Aces, we promote a culture that upholds the highest standards in ethical business conduct, corporate governance, and regulatory compliance.

### 6.1 Board Oversight

The Board of Top Aces holds the crucial responsibility of stewarding the company's operations, ensuring compliance with all laws, and adherence with all approved company policies. This includes reviewing and governing the company strategy, delineating accountability for its execution, and diligently monitoring performance against set objectives. To ensure strategic alignment with the evolving business landscape, the Board regularly scrutinizes the strategic plans developed by management.

Our governance ensures a distinct separation between the duties of the Chair of the Board and the President and Chief Executive Officer, each bringing invaluable expertise to the table. Supported by a cadre of experienced and accomplished Directors, the Board benefits from a wealth of advice, insight, and oversight to advance the interests of Top Aces and our stakeholders. These Board members possess a diverse array of skills and competencies relevant to the organization’s operations, enhancing the Board’s efficacy in overseeing the business. Formal Board meetings convene at least four times annually to deliberate on matters crucial to the organization’s direction and performance.

The Board of Top Aces is supported by three specialized committees that are instrumental in augmenting its oversight capabilities. These committees include the Audit Committee, the Human Resources and Compensation Committee, and the Investment Committee, each governed by a charter outlining their respective roles and responsibilities.

The **Audit Committee**, comprised of members possessing requisite financial expertise, provides guidance and recommendations to the Board on the following matters: (a) conducting thorough reviews of all financial statements, both annual and interim; (b) ensuring the Company’s adherence to legal and regulatory requirements; (c) managing the Company’s interactions with its auditors, (d) assessing the effectiveness of the Company’s internal controls; and (e) shaping the Company’s risk management strategy.

The **HR and Compensation Committee** aids the Board of Top Aces in fulfilling its oversight responsibilities, particularly concerning the endorsement and evaluation of all compensation plans, policies, and programs impacting Executive Officers. Additionally, the Committee offers strategic counsel to management on human resources initiatives, including leadership succession planning.

The **Investment Committee** assumes the responsibility of providing impartial advice and recommendations to the Board concerning various matters, including capital expenditures, contractual commitments, and the sale of capital assets exceeding the authority delegated to the CEO of Top Aces. Furthermore, the Committee evaluates proposals related to acquisitions, investments, or divestitures.

## 6.2 Code of Conduct


Operating ethically is of utmost importance for any business aiming to thrive and ensure long-term sustainability in today’s expanding global marketplace. At Top Aces, we understand our role within the societal eco-system, which demands the highest standards of conduct. Our Global Code of Conduct Policy serves as a blueprint for the values we aim to instill in our leaders and employees, outlining clear expectations for behaviour. It facilitates effective collaboration among our diverse workforce across different cultures and geographies, providing a solid framework for ethical decision-making. Employees are encouraged to consult with their supervisor or Human Resources (HR) department if they have any concerns about activities that may breach this policy.

Our Global Code of Conduct Policy is thorough, addressing areas such as conflicts of interest, confidentiality, responsible use of company resources, fair competition, political engagement, legal compliance, operational safety, and more. Upon onboarding, all employees undergo mandatory training on this policy.

## 6.3 Anti-Corruption

Top Aces is committed to promoting business practices that align with the highest ethical and legal norms. We expect our joint venture partners, agents, consultants, suppliers, subcontractors, and other third parties with whom Top Aces conducts business, especially those likely to interact with Government Officials, to share this commitment to ethical and legal integrity.

Our Anti-Corruption Policy unequivocally condemns bribery and corruption in any form within the Company’s operations. We do not permit the use of bribery, illicit payments, fraudulent activities, or unethical practices to gain any business advantage. The policy is thorough, outlining unacceptable practices, delineating the roles and responsibilities of employees and management, and setting clear expectations regarding the maintenance of accurate and transparent records.

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Top Aces mandates that company officers and employees must undergo training on our Anti-Corruption Policy. They are also required to sign a certificate of compliance affirming their understanding of the policy and commitment to its provisions.

Furthermore, prior to engaging any supplier, joint venture partner, agent, subcontractor, consultant, or other third-party representative with authority to bind the Company or interact with Government Officials on our behalf, Top Aces will conduct thorough risk-based due diligence. This due diligence will be periodically refreshed. Depending on the findings, Top Aces may require these third parties to provide a certification of compliance with Anti-Corruption Laws as part of appropriate risk mitigation measures.

**6.4 Data Privacy & Security**

Given the nature of our operations and customers, safeguarding data privacy and security stands as a paramount concern for Top Aces. We acknowledge our responsibility to ensure the adequate protection and preservation of entrusted information, including both personal and sensitive data.

Operating within an industry prone to heightened cybersecurity risks, we remain acutely aware of the potential consequences of any breaches of applicable data protection and privacy laws. Such violations could precipitate regulatory penalties, governmental audits or investigations, thereby jeopardizing our reputation and eroding trust in our offerings.

Moreover, stringent adherence to the Contract Security Program (CSP) further underscores our commitment to compliance and diligence in safeguarding confidential information.

**Cybersecurity**

Top Aces had made substantial investments, both financially and otherwise, to strengthen its cybersecurity infrastructure. Notably, the Company is actively pursuing certification under the Cybersecurity Maturity Model Certification (CMMC) at Level 2. This certification, a tiered cybersecurity program mandated by the Department of Defense, serves as a robust framework aimed at fortifying the resilience of our supply chain against cyber threats.

The CMMC program is designed to ensure the protection of sensitive data residing on contractor networks, aligned with stringent cybersecurity standards such as NIST 800-171, while integrating industry best practices. To facilitate this process, Top Aces has engaged an external party to conduct a comprehensive assessment of our current compliance status. We are diligently addressing any identified gaps with the objective of completing all remediation measures within the current fiscal year.

Furthermore, to provide strategic oversight and guidance, an IT Steering Committee has been established to oversee this important initiative.

Top Aces employs a comprehensive array of both technical and procedural controls to govern access to data, particularly aircraft technical data and customer information. These controls include robust measures such as multi-factor authentication, firewalls, and secure vaults for sensitive data. Additionally, air-gapped computers are utilized in conjunction with stringent policies, guidelines, and standards to ensure adherence to cybersecurity protocols.

To bolster our defense against cyber threats, we have enlisted the services of a dedicated third-party security operations center, which monitors systems around the clock for any signs of malicious activity. Furthermore, tabletop exercises – designed to evaluate the organization’s capacity to execute on our incident response protocol – have been conducted with plans to make these exercises an annual occurrence.

A Security Governance Committee has been established to oversee compliance with the Contract Security Program. While the Committee’s scope is limited to Canadian operations, it will collaborate with Top Aces locations in other jurisdictions, including the United States and Germany, to coordinate, evaluate, and share security governance information.

Employees are equipped with clear guidance on handling protected or classified information and assets through the Contract Security Policy and Manual.

Top Aces is a firm believer that employees represent the most effective first line of defense against cyberattacks, and therefore prioritizes cultivating a security-oriented culture through comprehensive security awareness training. This training equips employees with the knowledge of proper cyber hygiene practices, awareness of potential security risks, and the ability to identify and respond to cyber attacks, including phishing attempts they may encounter via email and the web. Information security training is integrated into the onboarding process for all new hires, supplemented by monthly phishing tests to reinforce email security awareness, with progress diligently tracked.

**Employee Privacy**

Top Aces holds the privacy of its employees in high regard and as such has implemented an Employee Privacy Policy outlining the procedures governing the collection, use, secure storage, and, where necessary, transmission of personal information. Our utilization of employees' personal data is strictly in accordance with applicable laws and solely for the purpose of fulfilling our duties and responsibilities as an employer.

To safeguard the confidentiality and integrity of personal information, the Company has instituted a suite of policies, technological safeguards, and organizational practices. These measures aim to prevent theft, loss, unauthorized access, use, modification, or disclosure of employee data. Access to personal information is restricted to authorized personnel and third parties who require it to fulfill their job duties.

**7 RELATED POLICIES AND DOCUMENTS**

Doc. #	Doc. Title
TAMS 7.9.1	Global Code of Conduct Policy
TAMS 11.2.2.1.4	Anti-Corruption Policy
TAMS 14.1	Global Safety Policy
TAMS 14.3 (SM-M01)	Flight Safety Manual
TAMS 14.2 (EHS-M01)	EHS Manual
	Community Investment Policy (in-progress)
CMP-P01	Contract Security Policy
	Contract Security Manual
TAMS 11.2.5.1	Employee Privacy Policy
TAMS 7.9.7	Hybrid Working Model Policy

## 8 APPROVALS

### 8.1 Policy Owner

Name / Role
Annie Galarneau
<i>VP Legal Affairs, General Counsel, and Chief Compliance Officer</i>

Name / Role
Chantal Tessier
<i>Chief Human Resources Officer</i>

### 8.2 Additional Approvals

Are additional approvals required?

Yes  No

Name / Role
Paul Bouchard
<i>Chief Executive Officer</i>

## 9 REVISION HISTORY

Revision #	Reason for Change	Date
0	Initial Issue	2024-APR-22