

## **AAR International, Inc.**

### **Annual Report Pursuant Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act**

**Reporting Year: May 31, 2025**

**Financial Year Covered by Report: Fiscal Year 2024 (June 1, 2023 – May 31, 2024)**

AAR International, Inc. and its subsidiaries are committed to corporate integrity, responsible product sourcing, and the safety and wellbeing of workers across the global supply chain. We expect the suppliers who do business with AAR International, Inc. and its subsidiaries to share these same commitments.

#### **Legal Structure**

AAR International, Inc. is a subsidiary of AAR CORP. ("AAR"). AAR is incorporated in Delaware, USA, has its corporate headquarters in Illinois, USA, and is listed on the NYSE (Ticker Symbol: AIR). AAR is a global aerospace and defense aftermarket solutions company that provides aviation services to both commercial and government customers. AAR International, Inc. is incorporated and headquartered in Illinois USA and has registered offices in Ontario, British Columbia, Nova Scotia and Alberta Canada.

AAR International, Inc. is the parent company of AAR Canada Holdings ULC which is incorporated in British Columbia, Canada. AAR Canada Holdings ULC is the holding company for the following entities also incorporated in British Columbia, Canada: AAR Aircraft Services-Windsor ULC d/b/a AAR MRO Services-Canada, Windsor (ON) ("AAR Aircraft Services-Windsor") and AAR Aircraft Services-Trois Rivières ULC d/b/a AAR MRO Services-Canada, Trois Rivières (QC) ("AAR Aircraft Services-Trois Rivières").

Company-wide procurement and supply chain policies and procedures are directed by AAR whereas operating procedures and practices are directed and conducted by the corresponding legal entity.

#### **Business Activities**

AAR Aircraft Services-Windsor and AAR Aircraft Services-Trois Rivières operate facilities strategically located at Windsor International Airport and Trois-Rivières Airport, respectively, and provide aircraft maintenance, repair, and overhaul services to airline operators. Through AAR International, Inc., AAR's Integrated Solutions segment offers flight-hour component inventory and repair programs for airline operators.

#### **Supply Chain**

AAR International, Inc., AAR Aircraft Services-Windsor and AAR Aircraft Services-Trois Rivières import goods from both domestic and international suppliers and seek to conduct

business with only reputable, responsible suppliers that are committed to the highest standards of ethics and business conduct.

Suppliers can be divided into two broad categories:

- Product suppliers (a/k/a “direct” suppliers) – i.e., those that support the delivery of services and products to our customers; and
- Non-product suppliers (a/k/a “indirect” suppliers) – i.e., those that support our operations.

For the Canadian operations of AAR International, Inc., AAR Aircraft Services-Windsor, and AAR Aircraft Services-Trois Rivieres the products purchased are primarily piece parts for aircrafts as well as for repair services for our customers. Many tier-one suppliers are from regions considered to be a low risk for modern slavery and human trafficking (e.g., North America (U.S. and Canada), and Western Europe).

### **Supply Chain Policies and Procedures**

AAR maintains strict policies and procedures relating to due diligence in its supply chain activities, including its Code of Conduct, Supplier Code of Conduct and policies relating to Anti-Corruption and Third Party Due Diligence Procedures and Anti-Slavery and Human Trafficking. These policies apply company-wide to AAR and its subsidiaries. These policies are available at [www.aarcorp.com](http://www.aarcorp.com) or by contacting [AARCorporateCompliance@aarcorp.com](mailto:AARCorporateCompliance@aarcorp.com).

### **Supply Chain Risk Management**

As part of onboarding, suppliers are subject to robust selection processes and criteria, including completing vendor onboarding questionnaires. Suppliers are also initially screened and subject to ongoing monitoring against government denied party lists, adverse media (which includes covering human rights violations), as well as many other data sources.

AAR has an established Supplier Code of Conduct that, among other things, prohibits illegal or unethical employment or business practices, including child labour, forced labour or other forms of modern slavery and human trafficking. AAR requires suppliers to certify compliance with our Supplier Code of Conduct as part of vendor onboarding as well as pursuant to contractual arrangements.

AAR reserves the right to conduct inspections of suppliers’ facilities, including by third parties. Periodically, in the normal course of business, AAR may conduct a site visit with a supplier. However, in the ordinary course of business, AAR does not conduct site visits or otherwise evaluate or audit suppliers specifically for the purpose of verifying the eradication of modern slavery and human trafficking in their supply chains.

AAR has a zero tolerance policy for employees and contractors who fail to meet AAR’s standards regarding modern slavery and human trafficking. AAR’s Speaking Up and Non-Retaliation Policy permits AAR to terminate any employee that fails to comply with company

standards. AAR's Supplier Code of Conduct, and contractual arrangements, allow for AAR to terminate relationships with suppliers that fail to comply with company standards. The Speaking Up and Non-Retaliation Policy is also available at [www.aarcorp.com](http://www.aarcorp.com) or by contacting [AARCorporateCompliance@aarcorp.com](mailto:AARCorporateCompliance@aarcorp.com).

Finally, AAR maintains an ethics reporting hotline for AAR employees and suppliers to report any known or suspected improper behavior, including violations of laws regarding modern slavery and human trafficking. Anyone who suspects or observes such conduct is encouraged to ask a question or raise concerns, including in complete confidence through this hotline (or other reporting mechanisms as set forth in our Speaking Up and Non-Retaliation Policy). Reporting mechanisms are included in our Supplier Code of Conduct, among other places.

### **Our Exposure to Modern Slavery and Human Trafficking**

Operations: We operate in a highly regulated industry, predominantly employ a highly skilled workforce, and do not operate in any sector or industry that has a prevalence to modern slavery risks. AAR has a robust HR department that reviews each new hire to confirm, among other things, that they have appropriate work authorizations and are of legal age to work for AAR. AAR's Anti-Slavery and Human Trafficking Policy expressly prohibits the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards.

Many of our customers and vendors require that we certify and agree to abide by contractual provisions or the customer/vendor's own supplier code of conduct, which generally contain provisions relating to complying with applicable laws around forced labour and human trafficking.

Supply Chain: Many of our tier-one suppliers are from regions considered to be a low risk for modern slavery and human trafficking (e.g., North America (U.S. and Canada), and Western Europe). AAR is not aware of any suppliers that represent a risk of engaging in slavery or human trafficking. Risks may exist farther downstream in our supply chain, where we have less direct visibility into working conditions and sub-supplier practices.

### **Remediation**

We have not identified any actual instances of modern slavery, including forced or child labour, in our activities and supply chains. As such, we have taken no remediation measures at this time. As mentioned above, suppliers are subject to ongoing screening which includes adverse media screening for covering human rights violations.

### **Employee Training**

All employees of AAR and its subsidiaries receive annual training on AAR's Code of Conduct as well as anti-slavery and human trafficking. Supply Chain management teams are trained on the

requirements of the Supplier Code of Conduct, including provisions prohibiting slavery and human trafficking.

### **Effectiveness**

The main mechanism for assessing the effectiveness of our controls prohibiting slavery resides within AAR's Global Ethics and Compliance department. AAR's Global Ethics and Compliance department ensures that policies with respect to modern slavery and human trafficking are reviewed and updated as needed.

Additionally, through review of annual training results, the Global Ethics and Compliance department analyzes how effectively learners understand the training material to pinpoint areas of weakness or misunderstanding.

Additionally, questions or concerns raised through our hotline (or other reporting mechanisms) are reviewed by the Global Ethics and Compliance department, along with Legal and Human Resources, to ensure thorough investigations. No such reports or concerns were made during fiscal year 2024 (June 1, 2023 – May 31, 2024), and we have not otherwise identified any instances of modern slavery or human trafficking in our business or in our supply chain. This is consistent with our assessment that overall, our exposure to human trafficking and modern slavery is low.

### **Report Approval**

This report has been approved by the Board of Directors of AAR International, Inc. on May 23, 2025.

### **Attestation**

In accordance with the requirements The Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"), I attest that I have reviewed the information contained in the 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 year listed above.

Signature: 

Name: Jessica Garascia, I have authority to bind AAR International, Inc. with respect to this Report.

Title: Director of AAR International, Inc.