“AAR’s culture of ethics and compliance depends upon leadership by example, a commitment to shared values, an environment where employees are encouraged to speak up, and a respect for cultural diversity and inclusion.”

At AAR, we believe in Doing It Right, every time—even if that’s not always the easiest course of action. By acting with integrity and honesty, we are able to deliver the quality solutions and services our customers expect and deserve. Every day, we strive to exceed expectations and be better than the day before. That’s the way we’ve always done business, ever since our founding more than 60 years ago.

Just as we are dedicated to being the best-in-class aviation services provider for commercial and government customers worldwide, we must be similarly focused on upholding our commitment to ethics and integrity so we can remain a trusted partner. Our Code of Conduct is here to help us do that.

Our Code is more than just policies and procedures. It describes our commitment to a culture of compliance and the ethical standards we follow in conducting our business and working with those inside and outside of AAR.

All of us at AAR—employees, officers and directors—must follow our Code and act with integrity every day. We have a responsibility to do it right. At times, there may be questions that are not answered by our Code. In those situations, you can turn to any of the resources listed in the “Speaking Up” section of the Code to ask a question or report a concern. You’ll never face retaliation for speaking up.

As you go about your work for AAR, remember that we are all committed to doing business ethically. Every day, we find a way to be the best—through integrity, honesty and our commitment to Doing It Right.

I thank each of you for the important role you play in AAR’s success and reputation for excellence.

Sincerely,

John M. Holmes
President and Chief Executive Officer
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What is our Code?

At AAR, we are constantly searching for new ways to enhance our business and to find new solutions for our customers. The one consistent theme, however, is our commitment to “Doing It Right” for our customers, our fellow employees, our third-party business partners, our stockholders and our communities. That means acting with integrity and honesty every day and making sure that our business decisions demonstrate these values, too. The AAR Code of Conduct provides guidance to help us make good decisions and act with integrity, even in situations where the right course of action might not always be clear or easy.

How we own it

- We have a responsibility to follow the guidance in the Code, as well as the laws and regulations that apply to our work in the locations where we do business.
- If there is ever a conflict between these laws and regulations and the guidance in our Code, we should ask for help from a resource listed in the “Speaking Up” section of our Code before taking action.

Who must follow our Code?

Just as everyone at AAR shares the same commitment to making sure we provide high-quality, safe solutions and services that exceed our customers’ expectations, we are also dedicated to acting with integrity. Whether you are an employee, officer or director at AAR, you are expected to follow our Code, as well as the letter and spirit of the law.

In addition, we expect our third-party business partners, such as contractors, agents, consultants, representatives and others who may be temporarily assigned to perform work or services, to meet our high ethical standards and follow the guidance set forth in our Code. If you see that a third-party business partner is not living up to our standards, speak up.

Throughout the Code, “AAR” refers to AAR CORP., its subsidiaries and affiliates.
Why do we follow the Code?
Each of us plays an important role in AAR’s ethical culture and contributes to the Company’s reputation for integrity. We all must meet high standards when acting on behalf of or representing AAR.

How we own it

- When dealing with the public, government officials, customers, fellow employees and our third-party business partners, we must always act with honesty and fairness.

- Remember that any time you are on AAR premises, wearing clothing with AAR’s logo or working on AAR’s behalf, your personal conduct sends a powerful message about AAR as an organization, and you should consistently demonstrate AAR’s high standards to the public.

- Leaders, in particular, set an example for “doing it right” at AAR. Anyone in a leadership position is expected to:
  - Act as an ethical role model for everyone around them
  - Create an open-door environment that encourages other employees to ask questions and raise concerns
  - Handle reports and questions appropriately and escalate concerns, as needed
  - Watch for, guard against and report any signs of retaliation

Creating an Open-Door Environment
One of the most important responsibilities that leaders have is creating an open-door environment. What does that mean? In an open-door environment, employees feel comfortable approaching their manager or another member of management with a question or concern—regardless of their seniority, their position at AAR or any other factor.

In the aviation industry, we think of this concept by another name: crew coordination. Members of a flight crew know that it is vital to create a welcoming environment where everyone feels comfortable raising concerns about safety, regardless of rank. This collaborative environment is key to having a safe and successful flight.

The same is true for us at AAR. For AAR to succeed, we must work together to create an open-door environment where employees can “cross check” an issue with their manager or another leader.
Speaking up

During the course of our work for AAR, we may see or learn about potential violations of our Code or the law. We all have a responsibility to report any issues we know of or ask questions about anything we are unsure of. By doing so, we build on the culture of honesty, trust, and integrity at AAR, which contributes to AAR’s business success. Speaking up is the best course of action, even if you are not certain whether you have witnessed a violation. When in doubt, speak up!

How we own it

• If you have a question or need to report a potential violation of our Code or the law, it is usually best to speak first to your manager.

• You can also reach out to one of the following resources:
  • Another manager or business leader you trust
  • A Human Resources representative
  • An attorney in the Law Department
  • The AAR Ethics Hotline (www.aar.ethicspoint.com)

• Keep in mind that the AAR Ethics Hotline is operated by an independent third party and is available 24 hours a day, 7 days a week, via myConnection. You can report anonymously using the AAR Ethics Hotline, where allowed by local law, but you are encouraged to give your contact information, as this permits AAR to better investigate your report.

• Remember that AAR will take your report seriously and conduct an appropriate investigation, no matter how you choose to report an issue or voice a concern. Your personal information—if you chose to provide it—will be handled discreetly.

AAR takes violations of our Code and the law very seriously. Unethical or illegal actions detract from our workplace’s ethical culture. In addition, they could have serious consequences for the Company, including reputational damage, safety and quality concerns and potential legal exposure. For this reason, anyone who is found to have violated our Code or the law will be subject to discipline, up to and including termination of employment.

See the AAR Ethics Hotline policy for more information.

Upholding our commitment to non-retaliation

To maintain an environment where everyone feels comfortable raising concerns or asking questions, AAR does not and will not tolerate retaliation for making a report in good faith. A good-faith report contains all the information you have at the time, and that you believe to be true—even if it later turns out that you were mistaken. AAR never tolerates retaliation for a good-faith report, and anyone who engages in retaliation will be subject to discipline.
Work as one. Be inclusive.

In order to best serve AAR’s customers, we need to work in an environment where we each feel comfortable contributing our diverse points of view. To accomplish this, discrimination is simply not acceptable in our workplace.

How we own it

- Never make an employment-related decision based on an individual’s legally protected personal characteristics. These characteristics vary depending on where you work, but commonly include:
  - Race
  - Color
  - Religion
  - Age
  - Sex
  - National Origin
  - Ancestry
  - Disability
  - Veteran Status
  - Gender Identity
  - Sexual Orientation

- Treat everyone fairly when it comes to any employment-related decision—such as hiring, firing, promoting or including someone in professional development activities.

See the Equal Employment Opportunity and Equal Opportunity for Protected Veterans and Individuals with Disabilities policies for more information.

Anti-harassment

Our commitment to inclusivity also means that we want everyone to feel respected in the workplace. As such, harassment and bullying have no place at AAR. We never tolerate or engage in such behavior.

How we own it

- Steer clear of any conduct that creates an intimidating, hostile or offensive work environment, such as:
  - Foul language or gestures or inappropriate jokes
  - Demeaning comments
  - Inappropriate images displayed in the workplace
  - Unwelcome sexual advances
  - Requests for sexual favors
  - Any other unwelcome verbal or physical conduct
  - Do not engage in bullying or any other disrespectful behavior.
  - If you know of harassment or bullying in your workplace, contact a resource listed in the “Speaking Up” section. You will not face retaliation for making a good-faith report.

See the Anti-Harassment policy for more information.

Vivian works in AAR’s Commercial Solutions Department, and everyone else on her team is male. She sometimes overhears her co-workers making suggestive comments and jokes about other women in the office. She has asked them to stop, but they told her to “lighten up.” She is worried about reporting them because she thinks they might start excluding her from projects or treating her differently. She decides to just ignore the jokes. Is the Department Doing It Right?

No. Vivian should speak to her manager or another resource listed in the “Speaking Up” section about this situation immediately. Her co-workers’ behavior is inappropriate and needs to be addressed. In addition, AAR’s strong non-retaliation policy means that she will not face any negative consequences for making a good-faith report.
Quality first. Safety always.

Safety is always the number one concern in our work for AAR. We count on each other to work safely so that we can avoid injury and provide the best possible solutions and services for our customers. We must ensure our workplace meets AAR’s rigorous safety standards and is free from hazardous or unsafe practices.

How we own it

- Follow all procedures when working with machinery or equipment.
- Never tolerate horseplay, threats or acts of violence. If you observe suspicious activity, or if there is an immediate threat, contact your local security department or the local authorities.
- Do not work under the influence of illegal drugs or alcohol. If you use medically prescribed over-the-counter drugs that may adversely impact your ability to perform work in a safe manner, inform your manager prior to starting work.
- Do not use, possess, distribute, store, sell or purchase illegal drugs or controlled substances while you are on AAR property or representing AAR in any way.
- Talk to your manager if you have concerns about someone working under the influence of alcohol or another substance.
- Handle hazardous chemicals correctly and dispose of them properly.

See the Health and Safety Program, Violence in the Workplace, Firearms and Weapons, Insider Threat and Drug and Alcohol policies for more information.

Andrea, who works at an AAR repair facility, had some dental work done yesterday, and her dentist prescribed medication for her pain. The pills make Andrea a little bit dizzy, and she is having trouble focusing on her work. Her team has a big deadline coming up, and she is worried that her manager will be upset with her if she asks to go home. She decides to keep working like usual. Is she Doing It Right?

No, she isn’t. By continuing to work while she is under the influence of this medication, Andrea is risking her safety, the safety of everyone around her and the quality of AAR’s services and solutions. She should raise this safety concern to her manager. Working safely is more important than any deadline.
Fair compensation and labor laws

No matter where we work, we must follow all labor laws that apply to us. Everyone who works for AAR or a third-party business partner must be treated fairly and respectfully.

How we own it

- Follow all laws related to working hours, working conditions and compensation.
- AAR has a zero-tolerance policy regarding trafficking in persons and forced labor. Keep an eye out for indications of forced labor or human trafficking, whether by AAR or any third-party business partner we work with, and report any suspicious activity immediately.

See the Equal Employment Opportunity, Equal Employment Policy for Protected Veterans and Individuals with Disabilities, and Contracting with the U.S. Government policies for more information.

Protecting employee personal information

Doing It Right in the workplace also means protecting personal data we may have access to about our fellow employees. Personal data might include contact information, marital status, health information or national identification number. No matter what form it takes, we must always safeguard this information.

How we own it

- If your job responsibilities give you access to personal data, use it only for business purposes and take precautions to keep the information confidential.
- Understand and follow all AAR policies and data privacy laws that relate to protecting personal data, including collection, storage, sharing and destruction of this information.

See the Employee HIPAA Privacy, and Privacy Policy for Employee Information from the European Economic Area policies for more information.
Putting quality first

In our industry, quality has a direct impact on flight safety. For the sake of AAR’s customers, our third-party business partners and the flying public, we have a responsibility to make sure that every solution and service we provide meets the highest standards for safety.

How we own it

• Ensure that our solutions and services comply with all relevant quality policies, work processes and instructions.
• Always meet contractual and regulatory requirements.
• Speak up about any known or suspected quality issue.

See the Health and Safety Program policy for more information.

Competing fairly

Speaking honestly about our solutions and services

We want to do business with integrity and succeed on the merits of AAR’s solutions and services—never because of dishonest business practices. In order to meet this commitment, it is important that we are always truthful when speaking to others about AAR’s offerings.

How we own it

• Do not exaggerate or misstate facts about our services and solutions.
• Make sure that our sales and marketing materials depict AAR’s solutions and services honestly and fairly.
• Do not make false claims about our competitors or their products and services.
• Never misrepresent yourself or use dishonest methods to gather competitive information.

Karl is a supervisor at an AAR component repair facility. Sometimes, when he is overseeing or inspecting overhauled components completed by an experienced technician he knows and trusts, he saves time by just signing the paperwork without really checking the component. Is Karl Doing it Right?

Absolutely not. Even if Karl thinks he can trust the technician, he has a responsibility to inspect the components thoroughly to ensure that they meet AAR’s quality and safety standards. Doing so ensures that the work was performed in accordance with regulatory standards and that our customers receive the best possible solutions while continuing to uphold AAR’s reputation for integrity and quality.
Following antitrust laws

One way we compete fairly is by following the antitrust laws (sometimes called competition laws) that apply to us. These laws may vary slightly from country to country, but in general they help to protect free and fair competition in the marketplace. Antitrust laws forbid any agreement or understanding that improperly restrains or limits trade, even if the agreement is only implied or verbal.

How we own it

- Understand the antitrust laws that apply to our business and avoid even the appearance of anticompetitive behavior.
- Take care when speaking with competitors. If a competitor raises a potentially anticompetitive topic with you, end the conversation and report it to an attorney in our Law Department right away.
- Remember that antitrust laws apply when you interact with AAR’s subsidiaries, customers, third-party business partners and competitors.

See the Antitrust Compliance and Hiring of AAR Employees policies for more information.

Anticompetitive Practices

Here are a few common types of anticompetitive activities:

Price fixing: Agreeing with a competitor to raise, lower or stabilize prices.
Market or customer division or customer allocation: Dividing customers, territories or markets with competitors.
Bid rigging: Coordinating bidding activity with competitors to decide who will be awarded a contract.
Boycotting: Agreeing with a competitor to not do business with targeted individuals or businesses.
Monopoly: Taking advantage of a dominant market position to dictate pricing or other terms.
No-hire pact: Restricting the hiring of employees by AAR or third parties.

Steve, who works in supply chain management for AAR, is at an aviation industry conference. He runs into Melissa, who manages suppliers at AAR’s biggest competitor. Melissa mentions that one particular supplier has raised their prices substantially in the last few months. AAR also does business with this supplier, and Steve has noticed the same thing. Melissa says, “Let’s both just stop buying from them. We are their two biggest customers, so they will have to lower their prices to get us back.” Steve isn’t sure how to respond, so he shrugs and says nothing. Is he Doing It Right?

No, he is not. Melissa is suggesting boycotting a supplier, which violates antitrust laws. Instead of simply shrugging, Steve needs to make his objection known, leave the conversation immediately and then contact an attorney in the Law Department. In these situations, it is important to clearly state that you do not agree with what has been proposed, and then end the conversation immediately.
Exchanging gifts and entertainment

Exchanging gifts or entertainment can be a local custom in some places where we do business, and it is also a way to build business relationships. However, there are limits on the gifts that we can make or receive.

A gift is anything of value that the recipient does not pay the retail price or usual cost for. Common examples include meals, tickets to sporting events or other entertainment, or items such as watches.

How we own it

• Avoid giving gifts to or accepting gifts from a customer, supplier or anyone else doing or seeking to do business with AAR.

• Exchanging certain nominal gifts may be allowed, but make sure they are unsolicited, not being used to influence a business decision and not given in appreciation for a past action.

• Understand what constitutes an acceptable gift, including:
  • Promotional materials bearing the company’s logo or food or drinks that are difficult to return and are worth no more than USD 100, when they are given on occasions when gifts are customary.
  • Discounts or rebates that are available to the general public or all AAR employees.
  • Reasonably priced and infrequent entertainment or meals for a business purpose where the giver and recipient are both present.

• Refuse or return any other gifts. If you are unable to do so, you must disclose the gift in writing to your manager as soon as possible.

Keep in mind that stricter rules apply to gift giving when government officials and employees are involved. In general, do not give or offer any gift—regardless of value—to a government official.

For more information, see the “Doing It Right for Our Government Customers” section of the Code.

Tania has worked with one of AAR’s biggest customers for several years, and she has become very friendly with her contact at that company. The two of them go to lunch once a month at a high-end restaurant. Occasionally they discuss business, but usually they just chat about their lives. Either Tania or her contact at the other company will charge these lunches to their company credit card as a business lunch. Is she Doing It Right?

No, she is not. These lunches are not for a business purpose, and meeting at a high-end restaurant may not follow AAR’s guidelines for gifts and entertainment. Tania should pay for these lunches out of her own pocket unless they are truly opportunities to talk about business.
Saying no to bribery and corruption

When we work on AAR’s behalf, we must always demonstrate AAR’s commitment to doing business honestly. In all our work, we must comply with all applicable laws, including the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, and any local anti-corruption laws. AAR has zero tolerance for any form of bribery or corruption. That means we never offer, give or accept, directly or indirectly, any bribes, kickbacks or other corrupt payments, regardless of whether we are working with commercial entities or government officials, including employees at state-owned or -controlled airlines.

How we own it

• Never offer or accept any sort of bribe. This can be anything of value given with the intention of gaining an improper advantage, such as securing a contract or receiving a license or a permit. Value can include cash payments, promises or offers of employment, use of AAR facilities, lavish gifts or entertainment, payments for unreasonable travel expenses or political or charitable contributions.

• Do not offer or accept kickbacks, which are payments paid (or due to be paid) after the completion of a business deal.

• Take special care when working with government officials outside the U.S. Under the FCPA, it is illegal to offer government officials anything of value that could corruptly influence their decision making.

• Do not make facilitating payments, which are small cash payments to perform or expedite a routine non-discretionary government action, such as processing visas or obtaining utility services.

• Always keep in mind that these rules also apply to third-party business partners, including agents and representatives, who act on AAR’s behalf.

• Report any questions or concerns regarding bribery or corruption to an attorney in the Law Department.

See the Global Anti-Corruption policy for more information.
Following international trade laws

As a global company that operates in many different countries, we have a responsibility to know and follow the trade laws that apply to us. We are also subject to laws related to trade embargoes, economic sanctions and boycotts, which we must follow carefully. Violating trade laws could have serious consequences for AAR, so we need to follow them exactly.

How we own it

- Follow all applicable export control laws related to requirements for exporting certain products, technologies, software and technical information or in situations where their end use is considered sensitive. Keep in mind that these laws apply to both the physical movement of goods and intangible transfers through email, discussions or presentations.

- Adhere to all applicable import laws and customs requirements. Provide accurate information regarding tariff classification, value, country of origin, product marking, preferential trade status and other critical data elements.

- Abide by laws related to embargoes and trade sanctions, which prohibit some or all business activities with certain countries and their nationals, or with specific entities or individuals. Always conduct due diligence on customers and business partners to make sure they are not subject to such sanctions or embargoes.

- Do not participate in unsanctioned boycotts and be mindful of requests to boycott a country or individual, which often appear in purchase orders, contracts or shipping documents.

See the Import-Export Regulations, and Transactions Involving Boycotting Countries policies or visit myConnection for more information. Speak to an attorney in the Law Department or a member of the Trade Compliance Department if you have any questions.

Kevin needs to email technical specifications for an aircraft engine that AAR is considering selling to an existing customer in Saudi Arabia. Could this email of technical specifications be subject to an export control licensing requirement?

It might be. Kevin should speak to an attorney in the Law Department or a member of the Trade Compliance Department before sending the email to determine whether any licensing requirements apply. Always perform proper due diligence before engaging in import and export activity.
Selecting third-party business partners

When selecting contractors, agents, representatives, consultants and other third-party business partners with whom we want to do business, we must make sure to hold them to the same standards to which we hold ourselves.

How we own it

- Only work with companies and individuals who share AAR’s commitment to integrity and meet AAR’s third-party business partner due diligence process standards.
- Keep an eye out for any potential misconduct by third-party business partners and report it immediately.

Steering clear of money laundering

AAR is committed to working with customers and third-party business partners whose business activities are legitimate and whose funds come from legal sources. Accordingly, we must always comply with anti-money laundering laws. Money laundering refers to the process of "washing" or hiding the proceeds of criminal activities or making it seem like the money comes from a legitimate source.

How we own it

- Keep an eye out for signs of money laundering by customers or third-party business partners. This could include:
  - Making payments in cash
  - Overpaying and asking for a partial refund
  - Having a third party make a payment on their behalf
  - Requesting to transfer money to another country
  - Making several smaller purchases (instead of one large one)
  - Buying unusual combinations of items

If you have concerns about a third-party business partner’s practices, speak to your manager or an attorney in the Law Department. See the Global Anti-Corruption policy for more information. 🚦
Doing it right for our government customers

We do business with the utmost integrity and follow all contractual requirements when dealing with our commercial customers, and we must do the same—and more—with our government customers. At all times, we must follow the laws, rules and regulations related to government acquisition of goods and services, and we must compete fairly and ethically for these business opportunities.

Doing procurement right

When AAR is bidding on a government contract, we must act with integrity, never attempting to gain an unfair advantage in the process.

How we own it

- Do not solicit, obtain or disclose any information about competitors’ bids or proposals before the award of a contract. This includes cost or pricing information, indirect costs and direct labor rates or information about operations that is marked with words like “confidential” or “proprietary” or “contractor bid” or “proposal information.”

- Never try to obtain a government agency’s source selection information before a government contract is awarded. This includes non-public information used for evaluating bids or proposals, such as proposed costs or prices, source selection plans, evaluations or rankings of proposals and reports from the source selection panel.

Complying with the contract

When working on a government contract, we must be especially careful in recording hours worked, travel costs, material costs and other expenses. All records must be timely, honest, accurate and in accordance with AAR policies and procedures, as well as government requirements.

How we own it

- Know which costs are allowable for a given project—and never claim unallowable costs.

- Never submit a claim or statement that you know to be false. Willingly or knowingly making a false claim could result in fines, discipline, termination or even criminal prosecution for the individuals involved and AAR.

- Use government property only for authorized purposes, never misusing or wasting it.

- Protect government classified information or national security information and use it appropriately.
Avoiding improper payments and competing fairly

When we work with government officials, we must be sure to know and follow the rules and regulations they are subject to regarding gifts and entertainment. We must also be aware of lobbying and political contribution restrictions and follow all related rules closely.

How we own it
- In general, do not give or offer any gift—regardless of value—to a government official.
- Never offer anything to a government official in exchange for any official action, as this would be considered a bribe.
- Never improperly influence or attempt to improperly influence a government official regarding a government contract.
- Do not use government funds to pay lobbyists or AAR directors, officers, employees, attorneys or anyone else acting on our behalf to engage in lobbying activities.

Avoiding organizational conflicts of interest

Due to AAR’s long history of working with the government and other companies in our industry, the Company may sometimes face an organizational conflict of interest because of AAR’s past work experience or because of its relationships with other persons, such as consultants, teaming partners or subcontractors. In an organizational conflict of interest, the Company is unable (or could potentially be unable) to act impartially, or it may receive an unfair advantage regarding a new business opportunity with the government. We must avoid even the appearance of an organizational conflict of interest. If you learn of a potential organizational conflict of interest, report it to your manager and an attorney in the Law Department immediately.

Hiring former government employees

We work closely with government officials as we bid and work on government contracts. At all times, we want to avoid the appearance that we could be trying to influence the procurement process unfairly. Accordingly, we must be careful to comply with applicable laws when hiring former government employees or even discussing employment opportunities with them.

How we own it
- Never discuss employment or consulting opportunities with a government official who is involved in certain competitive procurements on which AAR is bidding.
- Speak to a Human Resources representative and an attorney in the Law Department before discussing employment opportunities with anyone who works—or used to work—for the government.
Partnering with the right contractors

When we work with other contractors or subcontractors to complete government projects, we should select companies that we can count on to do business ethically and follow the complex rules related to government contracting. We make every effort to do business with small businesses, small disadvantaged businesses and woman-owned businesses whenever possible.

Complying and cooperating with government audits and investigations

From time to time, the government may conduct an audit and examine AAR’s financial records and cost and pricing data. In addition, we may sometimes be contacted by representatives of the government to be interviewed as part of an investigation.

How we own it

• Always tell the truth.
• Cooperate with any such audit requests and provide government representatives with any documents they ask for in a timely manner.
  • Before providing financial data, contact your business unit controller or a senior employee in our Finance Department for approval.
  • A senior functional or program manager in your business unit must approve the release of any other data.
• If you are contacted regarding an investigation (other than a background investigation for granting or renewing government security clearances), contact your manager and the Law Department immediately.
• Contact an attorney in the Law Department for more information about investigations and the interview process.

See the Contracting with the US Government policy for more information.

Do’s and Don’ts for Working on Government Contracts

Government contracts are subject to many complex laws and regulations. Here are a few general principles to follow.

Do:

✓ Compete fairly and vigorously for contracts.
✓ Maintain accurate books and records at all times, and be sure that cost and pricing data is accurate.
✓ Get any clarifications about the contract or the bidding process in writing.

Don’t:

✗ Contact the contracting officer, unless you are requesting clarification about the contract.
✗ Ask a third party to contact the contracting officer on AAR’s behalf.
✗ Coordinate proposals with a competitor or engage in anticompetitive practices.
✗ Give a government official any gift, gratuity, bribe or other item of value during the contracting process, or discuss possible employment with them.
✗ Do anything that could create the appearance of impropriety.
Protecting AAR’s assets

In our work for AAR, we use Company assets every day, such as equipment, supplies, funds, licenses, trademarks and time. We must use Company assets responsibly and appropriately, protecting them from waste and abuse.

How we own it

- Use AAR’s assets for legitimate business purposes, in accordance with all Company policies and procedures.
- Making incidental and limited personal use of electronic assets—such as computers, software, Internet access, e-mail systems, voice mail and mobile devices—is fine, but you should use them primarily for business purposes.
- Never use Company electronic assets to send or view offensive content.
- Remember that where allowed by local law, AAR may monitor your use of its electronic assets, so you should have no expectation of privacy.
- When using electronic assets, always follow good information security practices:
  - Use strong passwords for all your accounts.
  - Never download software without permission, as it could contain malware.
  - Be careful of “phishing” attempts, and do not click on links in emails from senders you do not recognize.
- Report suspicious emails to the Information Technology Department immediately.

See the Information Technology, Mobile Device and Cyber Incident Reporting policies for more information.

Safeguarding confidential information

AAR’s confidential information is vital to its business success. Confidential information can be business, technical or financial in nature, and typically includes:

- Trade secrets
- Business strategies
- Technical designs
- Financial records that have not been made public
- Cost and pricing information

We must safeguard this information and use it only for AAR’s benefit.
How we own it

- Do not share AAR’s confidential information with anyone who does not have a business need to know it and has not been authorized to receive it.
- Be careful when discussing AAR’s confidential information in public, as someone could overhear.
- Even if you leave AAR, you must still safeguard AAR’s confidential information and never share it with anyone.
- Keep in mind that any confidential information you create as part of your work for AAR or with AAR resources belongs to the Company, even after your employment ends.
- If you have access to confidential information that belongs to others—such as third-party business partners or customers—protect it as you would AAR’s. Use it only for legitimate business purposes and do not share it with anyone who does not need to know it and has not been authorized to receive it.
- Similarly, if you have confidential information from a previous employer, you must keep it confidential and never share it with anyone, including AAR.

Using social media responsibly

Social media has become a very popular way to communicate and share information and personal opinions. While AAR does not seek to limit our personal use of social media, we should follow a few important guidelines in our online activities.

How we own it

- Be careful not to speak on behalf of AAR online, or even give the impression that you are doing so.
- Make it clear that your views are your own and not those of your employer or anyone else.
- Do not share AAR’s confidential information online. For example, do not discuss new projects you are working on, AAR’s finances (even in general terms) or any other information that is not available to the public.
- Exercise good judgment in what you say and how you say it. Your words will reflect on you and AAR, given how easy it is to identify a person’s employer.

If you have questions about the right way to use social media, speak to your manager or the Corporate Marketing Department.

See the Information Technology policy for more information.

On her social media page, Corinne posts the following update: “Such a long week! Can’t wait to relax this weekend. I’ve been working a ton of extra hours setting up this new contract with Acme Airways, and I need a break!” Is Corinne Doing It Right?

No. It is fine for Corinne to post generally about her workload or the fact that she is looking forward to the weekend, but she also mentioned a new AAR contract. If that information has not been publicly disclosed yet, she should not discuss it on social media.
Avoiding conflicts of interest

We each have a responsibility to act with integrity and do what is best for AAR. As part of that commitment, we must avoid conflicts of interest, or situations where we might have to choose between doing what is best for AAR and what is best for us personally or for a member of our immediate family, such as a spouse, child or anyone else who lives with us.

How we own it

- It is impossible to list every situation where a conflict of interest may arise, but here are a few guidelines to help you avoid the most common ones:
  - Do not compete with AAR. Do not take for yourself any business opportunity that you learn about through your work with AAR, or serve as a director, consultant or employee for any company that competes with AAR.
  - Think before accepting outside employment. Any outside employment should not embarrass AAR, require you to use Company confidential information or interfere with your ability to perform your work for AAR. Full-time employees must disclose any outside job that requires a significant time commitment—meaning more than 10 hours a week or 40 hours a month—before accepting the position.
  - Never directly supervise—or be supervised by—a member of your immediate family.
  - Exercise caution when making outside investments. You (or your immediate family) should not own more than one percent of the stock of a company that does business (or seeks to do business) with or competes with AAR.

If you believe you may be involved in a conflict of interest—or a situation that could appear to be a conflict—disclose it to your manager, a Human Resources representative or an attorney in the Law Department right away.

See the Related Person Transaction and Standards of Business Ethics and Conduct policies for more information.

Keeping accurate books and records

AAR uses its business records—such as expense reports, time records and invoices—to make important business decisions and create its financial disclosures. In order to ensure that these business decisions are sound, AAR’s records must be complete, accurate and truthful.

How we own it

- Be certain that any records you create are correct and complete.
- Never provide false or misleading information in a record.
- If you work on AAR’s financial disclosures, ensure they are full, fair, accurate and understandable. Follow all generally accepted accounting principles, as well as AAR’s policies, controls and procedures.
- Retain records only as long as needed, destroying or deleting them appropriately when that period has ended.

See the Records Management and Retention policy for more information.
Complying with Investigations and Audits

At times, we may be asked to provide information in connection with an audit, inquiry or investigation. We have a responsibility to comply with these requests.

How we own it

• Be honest.
• Cooperate fully with any request for information from an internal or external auditor, director of the Company, our General Counsel or any other authorized representative.
• Provide all the information you have.
• Do not conceal, alter or destroy any records, and do not try to interfere with any audit or investigation process.

If you have questions about participating in an audit or investigation, contact an attorney in the Law Department.

Avoiding insider trading

During the course of our work, we may have access to material non-public information, or inside information, about AAR or another company with whom we do business. Information is material if a reasonable investor would consider it important when making a decision to hold, sell or buy a company’s stock. Information is considered non-public until it has been communicated to the marketplace and the market has had time to absorb it—usually a day or two.

How we own it

• Be able to identify common examples of inside information: financial results or forecasts, major personnel or management changes, new service or solution offerings or the gain or loss of a major customer.
• Do not trade in the stock of any company while you have inside information about that company.
• Never “tip” inside information to family or friends, or even to co-workers who do not have a business need to know it.

If you have questions about the right way to handle inside information, speak to an attorney in our Law Department.

See the Insider Trading policy for more information.
Speaking about our company

AAR’s reputation depends upon our commitment to integrity and Doing It Right. To avoid any confusion, it is important that only authorized spokespeople speak on AAR’s behalf.

How we own it

- If you are contacted by the media or an analyst for information about AAR, do not directly respond.
- Refer any such requests for information to the Corporate Marketing Department and Investor Relations.

See the Investor Relations and Disclosure, and Government or Media Requests for Information policies for more information.
Doing it right for our communities

Being good corporate citizens

At AAR, we know that running a responsible business is about more than providing high-quality solutions and services. We strive to make a positive impact on the world around us through the work we do each day. AAR believes that Doing It Right is not just about business success—it is also about making the world a better place.

How we own it

• Work to minimize AAR’s environmental impact and use natural resources wisely by complying with AAR environmental, health and safety policies and procedures.

• Do your part to contribute to AAR’s corporate initiatives that are designed to improve our communities by supporting non-profit organizations, particularly those that help veterans or active military members, promote STEM education, encourage health and wellness activities and promote diversity and inclusion.

See the Environmental and Health and Safety Program policies for more information.

Volunteering and being politically active

AAR knows that many of us are deeply committed to improving our communities through volunteering for charitable organizations or political causes, and we are encouraged to do so. However, we may only volunteer on our own time and with our own resources.

How we own it

• Never give the impression that AAR supports your volunteer work or political cause.

• In some cases, you may be able to show AAR’s support or use AAR’s assets for your volunteer or charitable activities, with advance permission from a senior officer.

• Be careful that your political involvement does not create a conflict of interest under applicable law or AAR policy.

• Be aware of the laws related to lobbying and follow them at all times, if your work involves interacting with government officials.

Remember that you are welcome to contribute to the AAR Political Action Committee, which may advocate on AAR’s behalf regarding certain issues or legislation. However, you are not obligated to do so.

See the Philanthropic Contributions and Charitable, Personal and other Non-Business Use of Company Assets policy for more information.
At AAR, we are all held to the same expectations and the commitment to do what is right under our Code. That is why we all certify each year that we will comply with the Code.

Any request for a waiver from a requirement of the Code must be submitted to and approved by the General Counsel (and by the Board of Directors or a committee of the Board of Directors in the case of a waiver request from an executive officer or director), and must be promptly documented and disclosed, as required by law. Contact the General Counsel if you have any questions about waivers.
The keys to doing it right

While there is no one document that can address every difficult scenario we may face, we can sum up AAR’s Code of Conduct with a few short keys to Doing It Right:

- **Act ethically, in accordance with the law and AAR’s Policies and Values.**
- **Ask—when in doubt, or if you have questions.**
- **Report good-faith concerns to your manager, the Law Department, or through the AAR Ethics Hotline.**

Additional Information

For more information, please contact a member of the Law Department or Human Resources:

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