SUSTAINABILITY REPORT 2022

75 AÑOS
Conectando América



CopaAirlines
A STAR ALLIANCE MEMBER

CopaAirlines

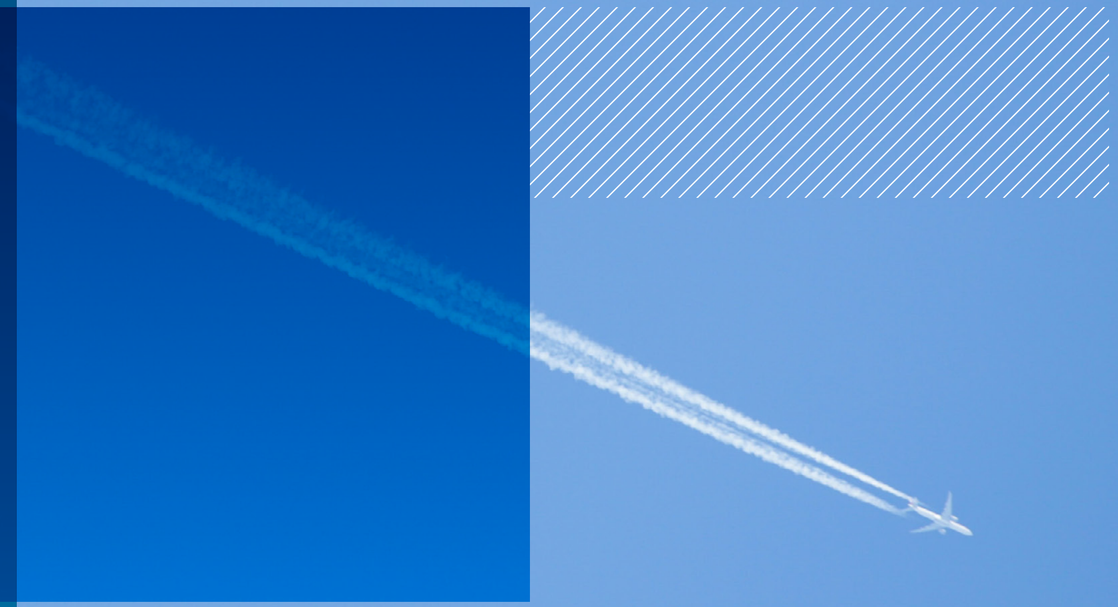
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Pedro Heilbron
CEO

Message from the CEO
(GRI 2-22)

During 2022, the Aviation Industry continued its process of recovery and adaptation to the "new normal" after the COVID-19 pandemic. We started the year with great positivity, although we had to face the omicron variant, which hit in early 2022. However, throughout the year we remained focused on our recovery, managing to grow in capacity to 2019 levels by the end of the year.

Apart from the omicron variant, the beginning of the war in Ukraine stands out among the biggest global challenges experienced, which generated a drastic increase in the cost of fuel. In addition, the industry faced the challenges caused by disruptions in the supply chain, which can affect the aircraft and parts market.

I would like to note that, at Copa Airlines, we have been able to adapt and respond to crises that directly impact on our operation, thanks to the commitment and dedication of our team.

Following this introductory context, I am pleased to present Copa Airlines' 2022 Sustainability Report, describing our performance throughout the year, as well as our contribution to the environmental, social and corporate governance (ESG) pillars, along with the progress that we have achieved in each of them.

We remained aligned with the three axes of our sustainability strategy: professional growth and well-being, comprehensive development of communities and environmental conservation. In addition, we remain in conformity with the 10 Principles of the Global Compact and have reported our contribution to the Sustainable Development Goals (SDGs) according to our area of influence and the characteristics of the sector.

We have a diverse team composed of more than 7200 employees, which represents a 19% increase in our workforce compared to the previous year. With the recovery of the Company, new opportunities have arisen for our employees. At the beginning of 2022, we managed to reincorporate the entire pool of pilots and crew on leave, and throughout the year we effected 697 internal promotions. These included 59 promotions to captain and 334 cabin crew to Business Class and Chief of Cabin Crew.

Moreover, we voluntarily joined the "25 by 2025" Commitment of the International Air Transport Association (IATA), an initiative that aims to promote gender diversity in the aeronautics industry and the rise of women in non-traditional positions.

We have seen an increase in the presence of women pilots, going from 9% to 11% compared to the previous year, and reaching 7% in technical aeronautical positions and over 40% in managerial positions.

In the environmental sphere, we have made progress in our commitment to reduce our carbon footprint and adopt sustainable practices. We established a sustainability policy and a target of a 14% reduction in CO_2 emissions per seat-kilometer by 2026 compared with the 2019 base. The addition of state-of-the-art aircraft, such as the Boeing 737 MAX received in 2022, continues to improve efficiency and reduce emissions.

We implemented initiatives to use solar energy in our facilities and reduce single-use plastics on board, in addition to maintaining our recycling program in flights and for waste generated by the operation. However, we recognize that achieving our goal of being Carbon Neutral by 2050, requires the commitment of governments, regulators, manufacturers and suppliers to ensure access to and supply of SAF as well as the development of new aviation technologies and carbon offset projects.

We will work to be a model airline in sustainability and contribute to a greener and more sustainable future with the collaboration of all actors involved.

As for our social commitment, we're seeking to improve the quality of life of the people in Panama and other countries where we have a presence through social programs and projects. We have various social impact initiatives focused on supporting children, education and health. In collaboration with Fundación Despega (Despega Foundation), in the last 10 years we have succeeded in making an impact on more than 500,000 people through 15 foundations and non-governmental organizations (NGOs) that we support.

In 2023 we will also face important challenges in this highly dynamic and changing industry. In addition to this, there is the fragility of the economies in Latin America and the anticipated recession, as well as high fuel costs and a competitive environment which is dynamic.

I am confident that by working as a team, guided by our purpose and values, and focusing on our objectives, we will succeed in keeping Copa aligned with its vision of remaining the leading airline in the region and the preferred choice as we connect the main cities of Central, South and North America and the Caribbean. We have a dedicated and committed team, who will continue to grow along with our Airline.

Finally, I am grateful for the trust and support of our shareholders, the Board of Directors, our customers and the employees of Copa Airlines. You can rest assured that we will continue to work with commitment, dedication and passion to maintain the sustainable growth of Copa Airlines and the Company's contribution to all those who depend on it.

How to read this report
(GRI 2-1, 2-2, 2-3, 2-4)



We have prepared the 2022 Sustainability Report, for the purpose of sharing with stakeholders our achievements and performance in the environmental, social and corporate governance (ESG) spheres during the year.

This report discusses the activity of Copa Holdings[1] and its main subsidiaries, Copa Airlines and Wingo, which we will jointly refer to as Copa Airlines throughout the report.

We have prepared this report in accordance with the standards of the Global Reporting Initiative (GRI) for the period from January 1 to December 31, 2022. In addition, to meet the expectations of our directors and shareholders, we have adopted the standards of the Sustainability Accounting Standards Board (SASB) to present timely information that has an impact on the Company's financial performance, specifically for the airline industry.

To address the material issues, we have applied the concept of double materiality, which integrates the company's relevant impact-based and financial issues pertaining to sustainability, in accordance with international demands and trends.

To learn about the details of our materiality analysis, you can review the annex entitled **"Materiality Study".**

Moreover, we abide by international initiatives, such is our contribution to the Sustainable Development Goals (SDGs), a roadmap proposed by the United Nations (UN) to address the main challenges of society. We also underscore the progress made based on the 10 Principles of the Global Compact, of which we are signatories. Finally, this report responds to the Communication on Progress (CoP).

To learn about the details of our contribution to the SDGs, you can consult the **"Contribution to the SDGs".**

This report has been subjected to internal validation processes that involved the participation of Copa Airlines' Corporate Social Responsibility Coordination, as well as each of the areas that have provided information for its preparation. In addition, it has been endorsed by the leadership team, which includes the validation of our CEO. It has not had external verification .

During the period covered by this report, we did not make any re-expressing of information regarding what was reported in previous years.

To identify the contents of this report:

At the beginning of each chapter:
- Reference to the SDGs.

At the beginning of each section:
- References to the contents of the GRI Standards and the metrics of the SASB Standards.

In the Annexes:
- Specific indexes on GRI, SASB, SDGs and Global Compact.

1 Copa Holdings, S.A. is a foreign private issuer that is listed on the New York Stock Exchange under the ticker symbol "CPA".

The most relevant indicators in 2022 (GRI 2-1)

We operate a fleet of **97 aircraft**, with an average age of **9.5 years**

We fly more than **13 million** passengers annually through 327 daily flights.

We have an on-time arrival rate of over **90%**

We have a team of **7,287** employees.

We increased the percentage of women pilots from 9% to **11%** and we have over **24%** of women in managerial positions.

We increased the percentage of women mechanical and aeronautical engineers from 7% to **8%**

We reduced the consumption of energy from fossil sources in our hangar by approximately **15%** thanks to the placement and use of solar panels.

We avoided the emission of **153 tCO_2** by using solar energy.

We reduced the consumption of single-use plastic on board by **2,6 millones** units.

Copa Airlines has been recognized by the international company Skytrax as the “Best Airline in Central America and the Caribbean” and for the seventh consecutive year as the “Best Airline Staff in Central America and the Caribbean”.

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1

Who are we?



Who are we?
(GRI 2-1, 2-2, 2-6, 2-28, 3-3)



Since our beginnings in 1947, we have been dedicated to connecting cities, countries and people, consolidating our position as one of the leading airlines in Latin America, offering passenger and cargo services through our two main operating subsidiaries, Copa Airlines and Wingo.

75 AÑOS Conectando América

We proudly carry the flag of Panama through the skies, celebrating 75 years flying higher and higher.

CopaAirlines
A STAR ALLIANCE MEMBER

Copa Airlines, operates from its strategic location in the Republic of Panama, with the Hub of the Americas®, which is the main hub for international flights in the region.

wingo

Wingo operates an ultra-low-cost business model, mainly in Colombia and various cities in the region.

Tocumen International Airport, from where Copa operates the Hub of the Americas® and located in Panama, is the airport with the largest number of international destinations in all of Latin America. Copa connects more than 78 destinations by flying to the main cities of North, Central and South America and the Caribbean. Thanks to this, we have become a relevant agent in the economic performance of Panama and of multiple countries in the region that benefit from the air connectivity we offer, in addition to being a strategic ally for all passengers to arrive at their destination safely and on time using the various connections we offer.



Our vision

OUR VISION TO BE THE LEADING AIRLINE IN LATIN AMERICAN AVIATION AND THE PREFERRED CONNECTION THROUGH PANAMA BY UNITING THE MAIN CITIES OF NORTH, SOUTH, CENTRAL AMERICA AND THE CARIBBEAN



Our Values in Action

We have 5 corporate values that guide and inspire our actions, which are defined as follows:

- We work as a **team** and contribute to a **positive environment**
- Our first commitment is to **safety**
- We are **honest and honorable** in all our actions
- We seek **continuous improvement**
- We anticipate and **exceed the expectations** of our **customers**

Main strengths

Next, we present the main commercial strengths which have allowed us to position ourselves as a solid and robust airline in the industry in which we operate:

- Strategic Location of the Hub de las Américas®.
- We're focused on maintaining our operational costs low.
- We operate a fleet of modern and efficient aircraft.
- Copa has a solid brand, the highest punctuality and a reputation based on quality service.
- Our management fosters a culture of team work and continuous improvement.

Our fleet
(GRI 3-3) SASB (TR-AL-000.F)

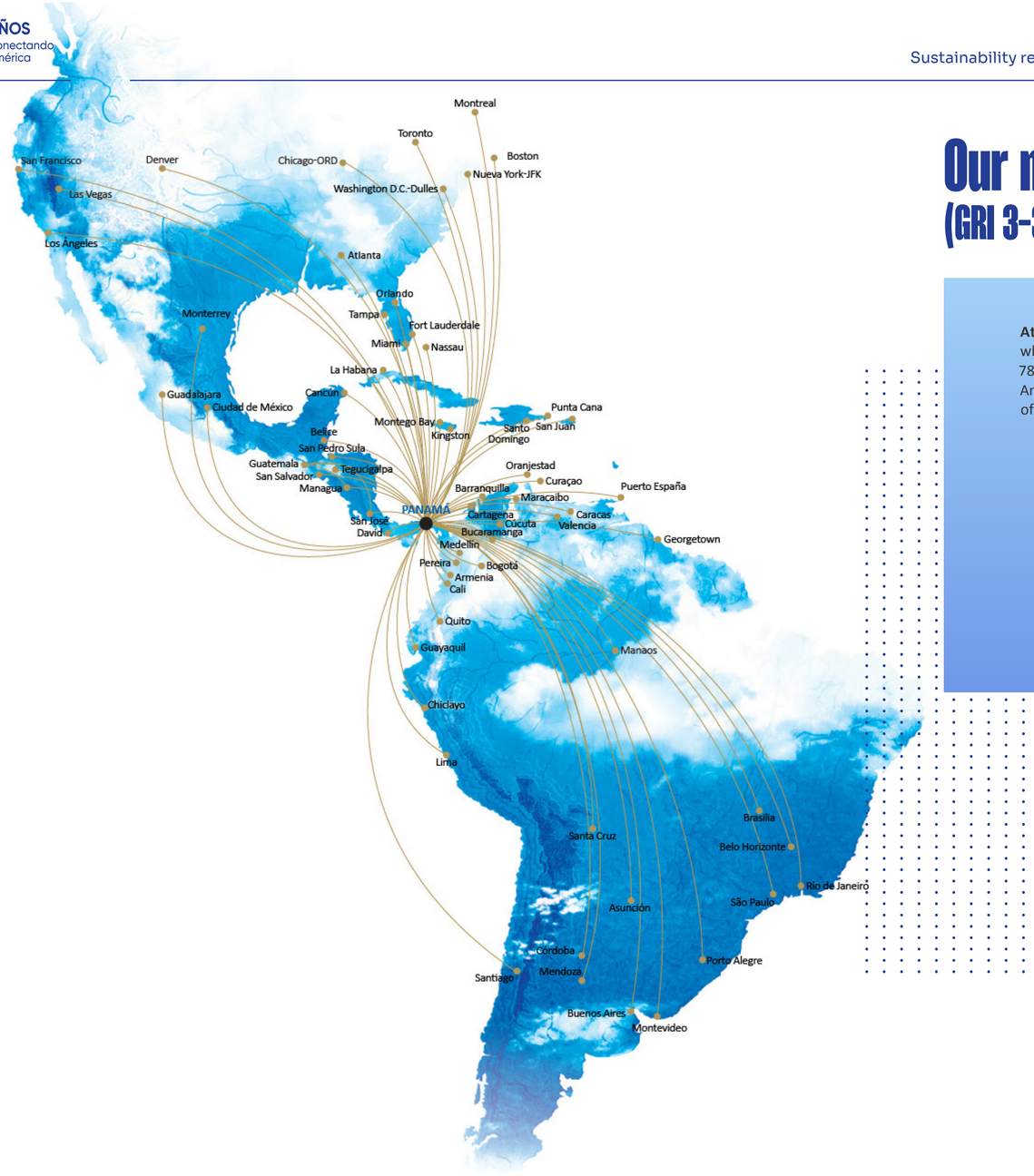
We have a purchase order for 86 Boeing 737 MAX aircraft, of which there are 66 aircraft to be delivered between 2023 and 2028, as part of our commitment to technological development and the modernization of our fleet. The addition of new B737 MAX to our fleet will bring significant benefits, such as increased fuel efficiency performance.

This acquisition demonstrates Copa Airlines' ongoing commitment and our focus on operational excellence, providing the highest quality to our customers. This investment allows us to continue fulfilling the goal of being the leading airline in Latin American aviation and the preferred connection through Panama.

AIRCRAFT TYPE	2019	2022
COPA AIRLINES	**98**	**87**
737 MAX-9 166/174 Pax	6	20
737-800 154/160/166 Pax	64	58
737-700 124 Pax	14	9
EMB-190 94 Pax	14	0
Wingo **737-800** **186 Pax**	**4**	**9**
Cargo **737-800**	**0**	**1**
Copa Holdings Total	**102**	**97**



We plan to increase our 737 Max fleet by 60% by 2023.



Our network

(GRI 3-3) SASB (TR-AL-000.A, TR-AL-000.B, TR-AL-000.C, TR-AL-000.E)

At Copa Airlines, we offer approximately 327 daily flights which are scheduled from our hub in Panama. It includes 78 destinations in 32 countries in North, Central and South America, and the Caribbean. Our operation represents 98.3% of international flights and 1.7% of domestic flights.

The focus on connectivity and the wide geographical coverage has positioned us as leaders in the passenger transport market in Latin America. We continue to expand our network in order to provide convenient and efficient connections to our passengers.

INTERNATIONAL DESTINATIONS IN COMPETITIVE HUBS

87	54	44	45	25
Panama	Mexico City	Sao Paulo	Bogota	Buenos Aires

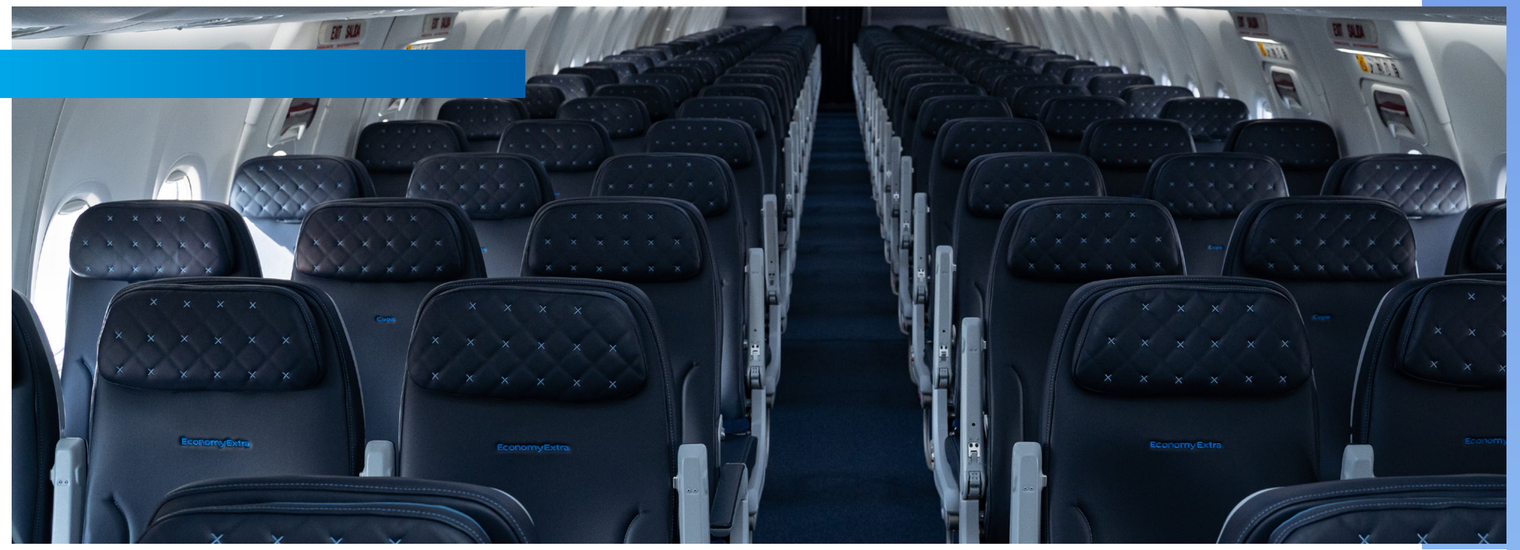
MAIN OPERATIONAL DATA

	2019	2021	2022	VARIATION
Passengers (Millions)	15.4	9.5	15.7	8%
ASM (MM)[2]	25,113	14,934	24,430	-2.7%
RPM (MM)[3]	21,295	11,738	20,790	-2.4%
Occupancy factor[4]	84.8%	78.6%	85.1%	0.3pp

2 ASM (Available Seat Mile): It refers to the number of seats available on our aircraft multiplied by the number of miles the seats flys.

3 RPM (passenger revenue per miles traveled): They are defined as the cumulative total of miles traveled by paying passengers.

4 Occupancy Factor: It is the ratio of the passenger revenue and the miles flown (RPM) by the ASMs. It is a key measure to determine how efficiently the airline is using its capacity.



Context and trends of the sector

In Latin America, the regular passenger services market consists of three main groups of travelers: leisure, business and travelers visiting friends and family. Leisure passengers and passengers visiting friends and family tend to place more emphasis on the lowest fares, while business passengers tend to place more emphasis on the frequency of flights, schedules, punctuality, the breadth of the network and the service offer, including loyalty programs and airport lounges.

Panama serves as a hub to connect passenger traffic between the main markets of North, South and Central America and the Caribbean. Consequently, passenger traffic to and from Panama is significantly influenced by economic growth in the surrounding regions.

Before the COVID-19 pandemic, Panama enjoyed a stable economy with moderate inflation and steady GDP growth. According to estimates by the International Monetary Fund (IMF), in the decade and a half prior to the pandemic, Panama's real GDP grew at an annual rate of 6%. However, as a result of the pandemic, a deceleration was observed where real GDP contracted by 18% and unemployment levels soared in 2020.

The IMF estimates that the population of Panama in 2022 is approximately 4.4 million people. Most is concentrated in Panama City, where our operations center is located at the Tocumen International Airport. Based on the data and the current context, we believe that the combination of a stable economy geared towards international services along with the constant growth of tourism, has contributed to the boost in national origin and destination passenger traffic. In addition, since January 2015, Copa Airlines has been operating flights to Panama's second largest city, David, in the province of Chiriquí.

Furthermore, we are projecting growth of more than 10% in our capacity by 2023, given that 2022 represented the year of post-pandemic recovery. The international air transport industry has also recovered to levels close to 2019. We continue to work to remain stable and be proactive in the face of the national and international environment that has impacted our operation in recent years.

Taking into account the anticipated growth in the number of passengers in the coming years, the demand for aeronautical personnel to cover the growth of commercial aviation worldwide has increased. According to Boeing's Pilot and Technician Outlook (PTO), the demand for aviation personnel over the next 20 years could be 2.1 million.

Below, we present the main trends for the industry and the strategic actions that we are implementing in the company, seeking to remain at the forefront and resilient in the face of change:

INDUSTRY TRENDS – COPA AIRLINES STRATEGIC RESPONSE

INDUSTRY TRENDS	RESPONSE FROM COPA AIRLINES
Fleet modernization for greater efficiency	↘ Implementing the fleet renewal action plan with aircraft with lower carbon emissions. ↘ Signing a purchase order for 86 Boeing 737 MAX aircraft, of which 66 aircraft are to be delivered between 2023 and 2028. The 737 MAX provides benefits such as fuel efficiency, increased range and greater capacity compared to the current Copa Airlines seat configuration. ↘ We operate a fleet of 97 Boeing 737 aircraft, with an average age of 9.5 years.
Increased demand for aviation personnel	↘ We have our educational academies, Latin American Academy of Higher Aviation (ALAS) and Academy of Aeronautical Technicians (ATA), in which we have invested more than USD$1MM. ↘ We implemented 17 training and development programs within Copa Academy for personal and professional growth. ↘ We have a modern corporate training platform, Copa Academy, designed to develop the skills of our employees through continuous and digital training and learning.
Expanding the digitalization of processes in customer experience	↘ We are constantly renewing, seeking to improve the digital experience of our customers by strengthening our digital channels throughout the entire business process. ↘ We launched Copa Connect, a new distribution strategy, to encourage greater use of copa.com and the direct connection with travel agencies. ↘ We have the NDC (New Distribution Capability) Level 4 Certification, under the NDC Certification program, granted by the International Air Transport Association (IATA).
Customer service	↘ Through NDC, Copa Airlines will provide a modern, reliable and content-rich channel that will differentiate the product and service offers that our partner travel agencies can offer to our customers.
Use of sustainable fuel	↘ The life cycle of SAF (Sustainable Aviation Fuels) reduces carbon emissions by up to 85% compared to conventional aircraft fuel. We are working together with the aviation guild in Latin America on a plan to promote the development of policies that encourage the production of SAF in our region. To date, there is no production of SAF in Latin America.
Management of CO_2 emissions	↘ We reduced our carbon emissions by 5%, compared to 2019 by ASK. ↘ We have implemented various initiatives to mitigate our carbon footprint and reduce emissions. ↘ In May 2022 we submitted the Emissions Report pertaining to 2021 operations. ↘ We started developing the identification of Climate Change risks, specifically those related to annual CO_2 emissions in aircraft ground equipment.

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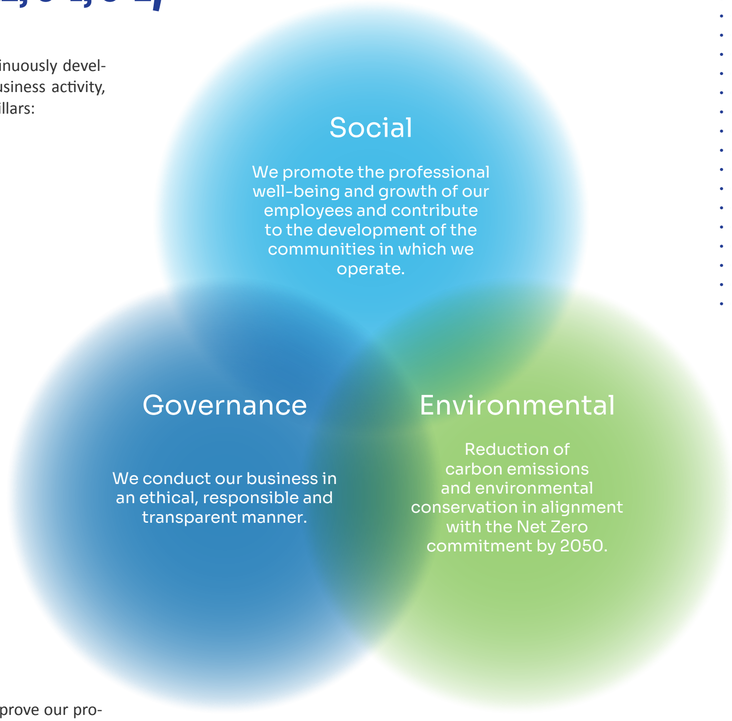
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Commitment to sustainability



Commitment to sustainability (GRI 2-22, 3-1, 3-2)

For the purpose of establishing and continuously developing sustainability as an essential part of business activity, we have implemented a strategy based on 3 pillars:



These pillars have allowed us to constantly improve our processes and services by addressing not only economic aspects, but also environmental and social considerations. It is a clear demonstration of our commitment to sustainability in our operation, as an intrinsic and transversal factor in the organization.



To monitor these pillars based on sustainability (ESG), strategic goals were established for 2022.

2022 PERFORMANCE IN THE STRATEGIC PILLARS OF COPA AIRLINES

GOVERNANCE

- Corporate training within Copa Academy regarding the Code of Ethics and Emergency Response was strengthened and digitalized.
- The Nominations and Governance Committee of the Board of Directors increased its responsibilities to oversee the ESG (Environmental, Social and Governance) performance of Copa Airlines.
- We formalized the governance of the Sustainability Committee, and social and environmental reports were published with double materiality standards.
- The Environmental Sustainability Policy was published with our commitment to Carbon Neutrality by 2050 and establishing emission reduction metrics until 2026.
- The ELEVA Program was strengthened with our commitments in terms of diversity, inclusion and equality.

SOCIAL

Professional Wellbeing and Growth

The talent that makes up Copa Airlines is the engine that has enabled us to continue flying to connect more and more destinations and people. We know that the well-being and satisfaction of our employees is key to business continuity, so we ensure growth opportunities under an ethical culture of integrity and respect. In addition, we care about the mental and physical health of each of them, and we have robust operational safety processes and well-being programs that seek to reconcile the personal and family life of our workers.

- We have a team of 7,265 employees.
- We increased the percentage of women pilots from 9% to 11%; of women mechanical and aeronautical engineers from 7% to 8%, and we have over 40% of women in managerial positions.
- The year 2022 marked a milestone with 929 promotions, the highest number in the company's history.
- We have invested more than 1 million dollars (USD) in the strengthening of the Latin American Academy of Higher Aviation (ALAS) (800K) and the Academy of Aeronautical Technicians (ATA) (200K) for the generation of future Panamanian pilots and mechanics.
- Through our e-learning platform, Copa Academy, more than 1,900 employees have completed courses related to continuous improvement tools such as Agility, SCRUM and Excel among others.
- 16% of the first officers who have been promoted to captains are women.
- We have 30 persons with disabilities in different areas of our company and we promote inclusive practices for their adaptation to working life.

Comprehensive Development of Communities

Our social commitment is materialized through Fundación Despega, with whom we collaborate to carry out our social impact programs. In addition to Copa Airlines' own initiatives.

- We have had an impact on more than 500,000 people over the course of 10 years, thanks to the Copa Tech Ops Golf Tournament initiative
- More than 17,000 people have benefited thanks to Copa Airlines donations.
- Our education and care programs have benefited 5,000 children at social risk, with disabilities or without parental care.
- We have donated more than 70 plane tickets for medical emergencies.
- We conducted 8 academic tours with the participation of more than 400 students.
- The #todopanamá program has benefited more than 2,000 students in Tocumen.
- 130 children took part in *Viaje Inolvidable* (An Unforgettable Trip) of 2022.
- We have our Donate Miles program in which passengers donate their miles to contribute to NGOs such as Make a Wish and Obsequio de Vida (Gift of Life).
- In partnership with the Fondo Unido de Panamá (United Way), we continue our work on Early Childhood programs and teacher training.

ENVIRONMENTAL

- We reduced the consumption of energy from fossil sources in our hangar by approximately 15% thanks to the placement and use of solar panels.
- We have successfully reduced our emissions by 8% thanks to our fleet renewal plan with Boeing 737 Max aircraft.
- To demonstrate the effectiveness and viability of sustainable initiatives, during 2022 we used 39,000 pounds (approximately 17,690 kilograms) of SAF on a demonstration commercial flight between Los Angeles and Panama.
- We purchased 10 electric baggage tractors for GSE, resulting in a reduction of 157 tons of CO_2 emissions.
- We avoided the emission of 153 tons of CO_2 thanks to the use of solar energy.
- We appropriately managed a total of 24,570 kilograms of chemical waste from Aircraft maintenance operations.
- The treatment of collected water allowed us to recover 348,703 gallons of water which were returned to nature.
- We reduced the consumption of single-use plastic on board by 2.6 million units.

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Corporate governance



Corporate governance
(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-17, 2-18, 2-19, 2-20, 3-3)

At Copa Airlines, we rely on a robust Corporate Governance model, backed by a set of internal procedures, policies and guidelines that are based on the best governance practices. Our focus is to comply with the applicable regulations and ensure the generation of value for all our stakeholders.

Our company operates under the regulatory framework and good practices of the New York Stock Exchange, as well as the Articles of Incorporation of Copa Holdings, S.A., in addition, we are subject to the supervision of the United States Securities and Exchange Commission (SEC) and the Superintendency of the Securities Market (SMV) of Panama.

We underscore our compliance with established NYSE standards related to audit committees and periodic certifications as a foreign private issuer. This is a specific requirement for corporations whose shares are listed on the stock exchange, and we make sure to comply with the established corporate governance standards.

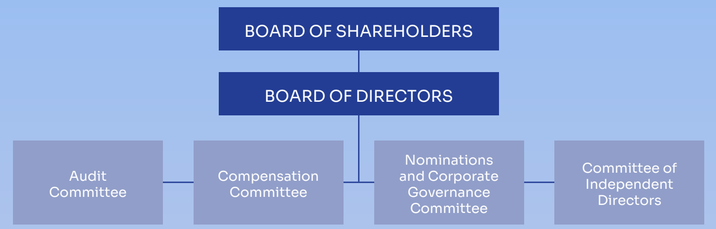
The General Shareholders' Meeting is the highest governing body of the organization and meets annually. At this meeting, the shareholders elect the Board of Directors and address other matters that do not require an extraordinary meeting of shareholders.

This assembly takes place within the first five months of each fiscal year. In addition, those shareholders that represent at least 5% of the issued and outstanding ordinary shares that have voting rights, have the possibility to submit proposals to be included in the assembly. To do this, it is necessary to submit the proposal at least 45 days in advance of the date of the assembly.

Composition of Corporate Governance

Our governance model covers our two main operating subsidiaries, Copa Airlines and Wingo.

The governing body responsible for the management, oversight and control of the company is the Board of Directors, which is supported by four committees in charge of evaluating and monitoring the areas and activities of greatest relevance to the organization.





Board of Directors

The main responsibility of the Board of Directors is overseeing and controlling the plans and actions executed by the different areas of the company, supported by ethics, compliance and transparency guidelines, as well as achieving a profitable and sustainable long-term operation, which fosters its continuity and the growth of the economic value of the company.

It is currently composed of eleven members, including 3 directors that meet the standards of independence under the rules of the New York Stock Exchange and NYSE.

NAME	POSITION	AGE	MEMBER SINCE	EXPERIENCE
Stanley Alberto Motta Cunninghan	Chairman of the Board of Directors and Director	76	2011	SF, AER, ESG, AD, O.
Pedro Heilbron	Chief Executive Officer (CEO) and Director	64	2011	AER, AD.
José Castañeda Vélez	Independent director	77	-	SF, ESG, AD.
Josh T. Connor	Independent director	48	2016	SF, INFR, AD.
Andrew C. Levy	Director	52	2016	AER, TECH, SF, AD.
Julianne Canavaggio	Independent director	40	2019	SF, AD, O.
Jaime A. Arias Calderón	Director	87	2011	SF, O, AD.
Alvaro Heilbron	Director	56	2012	AER, AD
Carlos Alberto Motta	Director	49	2014	SF, TECH, AD
John Ray Gebo	Director	51	2015	SF, AD
Makelín Arias	Director	57	2022	SF, ESG, AER

Experience:

SF Financial Sector **AER** Aeronautics **INFR** Infrastructure and transport **O** Others

ESG Sustainability/Corporate Responsibility **AD** Senior Management (other sectors) **TECH** Telecommunications

2 female
board members

7,3 years
average term in office

59,6
average age of the board

They serve **2** year terms and may be re-elected

3
members are independent

4 board
members with industry experience and 8 with financial sector experience.

Committees

Our Board of Directors is supported by four committees in charge of evaluating and monitoring the areas and activities of greatest relevance to the organization, they are the following:

Audit Committee

Its primary function is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the integrity of reports and other financial information available to the public or any regulatory or governmental body. Additionally, it ensures the effectiveness of internal financial control and risk management systems, including cybersecurity and privacy risks, and the company's procedures and policies for evaluating and managing such risks. It also oversees the internal audit function and the independent audit process, including the appointment, retention, compensation and supervision of the independent auditor; and ensures compliance with laws and regulations, as well as policies and codes of ethics established by Management and the Board of Directors.

Finally, it is responsible for implementing procedures for receiving, retaining and addressing complaints about accounting, internal control and audit matters, including the submission of confidential and anonymous complaints about questionable accounting, ethical or audit matters.

AUDIT COMMITTEE

MEMBERS	POSITION
Josh Connor	Independent Chairperson
José Castañeda	Independent member
Julianne Canavaggio	Independent member

Compensation Committee

Responsible for determining the remuneration, compensation and bonus of the Chief Executive Officer (CEO) and other high-level positions, as well as for the selection and evaluation process of all high-level executive positions of the company.

COMPENSATION COMMITTEE

MEMBERS	POSITION
Stanley Motta	Chairman
Jaime Arias	Member
José Castañeda	Independent member

Committee of Independent Directors

Its function is to advise the company and approve certain decisions in specific cases established in the company's Articles of Incorporation, such as: the approval of any transaction exceeding USD$ 5 million between us and our majority shareholders; the designation of certain primary share issues that will not be included in the calculation of the ownership percentage corresponding to the Class B shares for purposes of determining whether the Class A shares should be converted into voting shares according to our articles of incorporation; and the issuance of additional Class B shares or Class C shares to ensure Copa Airlines' compliance with aviation laws and regulations.

In addition, it will have any other powers expressly delegated to it by the Board of Directors, in accordance with the articles of incorporation. These powers can only be modified by the Board of Directors acting in conjunction with the written recommendation of the Independent Directors Committee.

The three directors mentioned below are independent non-executive directors in accordance with the applicable rules of the New York Stock Exchange.

COMMITTEE OF INDEPENDENT DIRECTORS

MEMBERS	POSITION
Josh Connor	Independent member
Julianne Canavaggio	Independent member
José Castañeda	Independent member



Nominations and Corporate Governance Committee

It is in charge of overseeing the evaluations of the Board of Directors, its members and committees, it has the responsibility of establishing the selection criteria for new directors, as well as overseeing the environmental, social and governance policies in place in the Company.

NOMINATIONS AND CORPORATE GOVERNANCE COMMITTEE

MEMBERS	POSITION
Carlos Alberto Motta	Chairman
Alvaro Heilbron	Member
José Castañeda	Independent member

Executive Team

The executive team is made up of professionals with extensive and proven experience in aviation and other related sectors. It is led by Pedro Heilbron who has held the position of CEO since 2011.

NAME	POSITION	EXPERIENCE
Pedro Heilbron	Chief Executive Officer (CEO)	↘ More than 30 years of experience in the sector. ↘ Member of the board of directors of IATA and of the executive committee of the Latin American and Caribbean Air Transport Association (ALTA). ↘ He has an MBA from George Washington University and a bachelor's degree from the College of the Holy Cross (Massachusetts).
José Montero	Sr Vice President of Finance	↘ 30 years of experience in the aeronautical sector in technical, supervisory, management and leadership positions. ↘ He holds a bachelor's degree in aeronautical studies from Embry-Riddle Aeronautical University and a master's degree in business administration from Cornell University.
Dennis Cary	Sr Vice President of Commercial and Planning	↘ He has held key roles in the areas of planning, commercial and marketing in various airlines. ↘ He has a Bachelor's degree in Computer Science from California State University, Northridge, and an MBA from Duke University.
Peter Donkersloot	Vice President of Human Resources	↘ More than 17 years of work experience in the industrial sector, holding key positions in five different countries (Jamaica, Panama, Peru, El Salvador and Guatemala). His experience includes Commercial Operations, Logistics, Risk Assessment, Strategic Planning and General Management. ↘ He has a Global MBA from Thunderbird School of Global Management along with professional qualifications in Industrial Engineering from ITESM (Monterrey Institute of Technology and Higher Education).
Daniel Gunn	Sr Vice President of Operations	↘ He has almost 30 years of experience in the aviation sector, specifically in the areas of planning and commercial, finance, real estate and partnerships. He earned a bachelor's degree in Business and Economics from Wheaton College and an MBA from the University of Southern California.
Julio Toro	Vice President of Technology	↘ Extensive experience in information systems and technology. ↘ He has a bachelor's degree in Electrical Engineering from Texas A&M University, a Master's Degree in Renewable Energy from the Technological University and an MBA jointly issued by the Stern School of Business of New York University, the London School of Economics and Political Science and the HEC Paris School of Management.
Rafael Samudio	Vice President of Technical Operations	↘ He has more than 25 years holding various technical, supervisory and management positions in the aviation sector. ↘ He has a Bachelor's Degree in Electromechanical Engineering from the Technological University of Panama and a Master's Degree in Business Administration from the Latin American University of Science and Technology (ULACIT).

NAME	POSITION	EXPERIENCIA
Christophe Didier	Vice President of Sales	↘ He has held various sales and marketing positions in the aviation industry since 1990, based in Europe and the Americas. ↘ He has a Master's Degree in Management from the ESCP Europe business school based in Paris.
Bolívar Domínguez	Vice President of Flight Operations	↘ More than 20 years holding positions of increasing responsibility in the aeronautical sector. Advisor to the Board of Governors and the Director General of IATA on all matters related to improving the safety and efficiency of civil air transport, ground operations and baggage. Member since 2019 of the IATA Safety, Flight and Ground Operations Advisory Council (SFGOAC). ↘ He holds an Airline Transport Pilot License, with Type Ratings on the Boeing 727, Embraer 190 and Boeing 737, a Degree in Industrial Engineering from the Universidad Latina in Panama, and has a Master's Degree in Business Administration from the University of Louisville.
María Jaén	Vice President of On-Board Service	↘ Extensive experience in the areas of operations, customer service, project management and business process improvement in different sectors. ↘ He has a BS in Industrial Engineering from the Technological University of Panama, an MBA from Nova Southeastern University and an Executive Certification in Management and Leadership from MIT Sloan School of Management.
Eduardo Lombana	Chief Executive Officer (CEO) of AeroRepública, S.A. (Wingo)	↘ 20 years of experience in the area of operations in the aviation sector. ↘ He has a bachelor's degree in aviation technology and an AS in aviation maintenance technology from Embry Riddle Aeronautical University.
Jan Ohlson (Ola)	Vice President of Airports	↘ Ola has almost 40 years of extensive experience in aviation, service and tourism, and has a reputation for consistent and results-oriented leadership.

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Risk management



Risk management
(GRI 2-12, 2-13, 2-15, 205-1)

We have a solid internal structure for the identification, management and prevention of risks, thus safeguarding the continuity of our operations. We have a Risk Management Committee, along with the Risk Management Policy (ERM), which aims to establish evaluation criteria and general guidelines for its management within the company. Likewise, the Risk Management Procedure was established, which helps to identify, analyze, assess, respond to and monitor risks, in order to minimize the impact of a crisis during the fulfillment of the company's objectives.

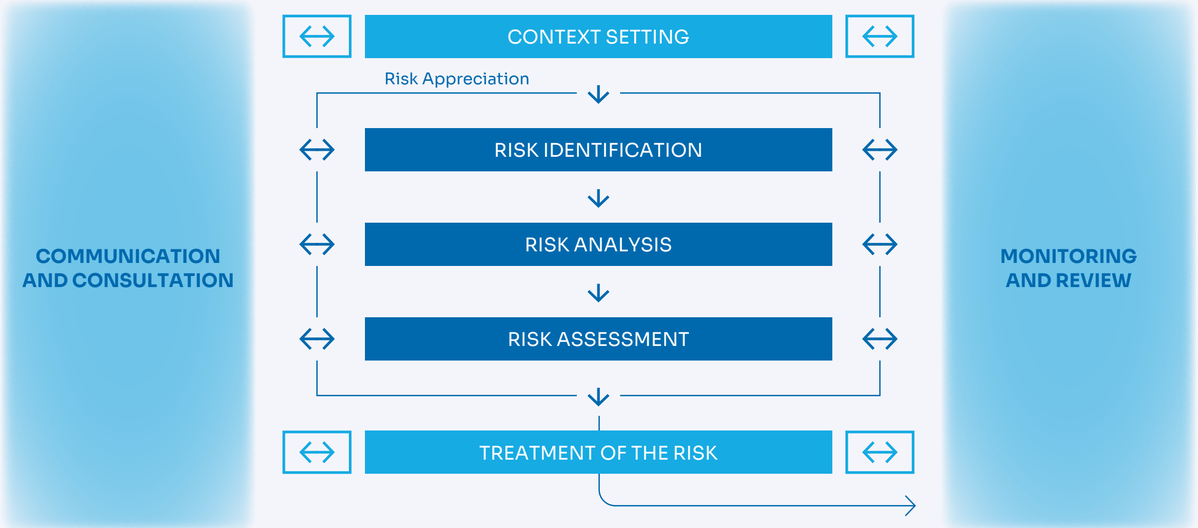


Setting the context

We define the fundamental parameters for managing the risks of the area and/or process being analyzed. Management is carried out; goals and scope are defined and guidance for decision making is provided.

An analysis of the internal context is conducted, which includes aspects directly related to the organization, its functions, proposed strategies, financial performance, processes and talent. The external environment is also reviewed, which includes events of natural, social, cultural, political, legal origin, as well as global trends, among other factors.

This table identifies the company's areas/processes and defines the risks by levels of responsibility:



LEVEL	AREA RESPONSIBLE	SCOPE	DIRECTION
Strategic	↘ Board of Directors ↘ CEO ↘ VPs ↘ Audit Committee	↘ Copa Holdings, S.A. and its subsidiaries. ↘ Compañía Panameña de Aviación S.A. (Copa Airlines). ↘ Oval Financial Leasing, Ltd. ("OVAL"). ↘ Academia Latinoamericana de Aviación Superior, S.A. (ALAS). ↘ Aerorepública S.A (Copa Colombia) and ↘ La Nueva Aerolínea, S.A.	↘ Strengthen positive impact; minimize negative impact
Tactical	↘ Directors ↘ Managers ↘ Head of area ↘ Process Owners	↘ Areas	↘ Strengthen positive impact; minimize negative impact
Operational	↘ Executor of the process	↘ Processes	↘ Minimize negative impact in the daily operation

Identification of the risk

For the identification of risks, the business areas in the first line of defense are engaged, it is not limited to a single person or department. A list of potential risks is obtained identifying their impacts as well as their origin.

Once established, each of the areas in charge undertakes them as their own, defining a person responsible for their monitoring and management. Thus, prevention and mitigation plans are established for the risks.

We categorize risks in:

Strategic risk

Those that affect the Objectives (RAE), Vision and Mission of the company, that is, they can undermine the implementation of its strategy or the achievement of a corporate goal.

Operational and Tactical Risk

Those that have an impact on the performance of the area, process and/or daily activities of the company.

During 2023, we will be working on our risk analysis, incorporating ESG factors. Along with mitigation and prevention measures.



Risk analysis/assessment

For risk assessment, a sensitivity analysis is taken into consideration which allows gauging how uncertainty affects assumptions. In this analysis, both the positive and negative impacts or consequences are taken into account, as well as the probability that these events would occur.

A weighting of 1 to 5 is assigned to both the probability and the impact of each risk. By multiplying these two variables, they allow us to build a risk map that serves as a guide for prioritizing and classifying risks at four levels: Extreme, High, Medium and Low. This applies to both inherent risk (without controls) and residual risk (with controls).

LEVEL	LEVEL
Insignificant	Remote
Minor	Unlikely
Moderate	Likely
Major	Very Likely
Catastrophic	Imminent

Communication and consultation

Each area reports the challenges during the implementation of prevention measures and monitoring of the identified risks, thus allowing new associated risks to be identified in a timely manner and, where appropriate, mitigated.

Risk communication must take place at all stages and is carried out between the coordinator, the risk owner and the Risk Management Committee during identification, analysis and evaluation.

The approval of the risks identified by the risk coordinator is the responsibility of the risk owner. Once they are presented to the Risk Management Committee, the latter must report them, according to their criticality, to the Strategic and/or Audit Committee.

During 2022, we trained approximately 60 people who are responsible for strategic and operational risk management within the organization, including the leadership team and senior management. In the next 2 years the scope is set to expand to the rest of the areas in the company.

Monitoring and review

A review is carried out on an ongoing basis (at least once a year per area), which is essential to ensure and understand whether the risk responses and the action plans implemented for each of them are adequate. Their validity, relevance, correct management and performance in implementation are reviewed as part of the prevention and mitigation plans.

It is the responsibility of the risk owner to communicate the findings and areas of opportunity to the members of the Risk Management Committee on an annual basis.

We have three main committees responsible for overseeing our risk management system:



Risk Management Committee

It is responsible for the development, implementation and updating of the Risk Management methodology, which includes: the universe, the evaluation criteria, policies and procedures; presents the relevant risks according to the established frequency; promotes a culture of integrity and provides guidance.

In addition, it seeks to promote a culture of compliance with the guidelines established in the organization's risk management procedure and policy, as well as to ensure that it has approved and consolidated risk documentation along with its assessments and management tools, taking into account the new risk trends in the industry.

Strategic Committee and Audit Committee

They are responsible for monitoring the effectiveness of the risk management system, as well as evaluating the alignment between risk appetite and organizational strategy. Furthermore, they approve the policy and risk management procedures and define priorities regarding the criticality of risks and their action plans. Finally, they provide clear direction on the additional actions that need to be taken to minimize risks and address opportunities.

Business Continuity Committee

Is responsible for updating the Business Continuity Policy and overseeing its implementation. An analysis of risks and direct impacts on the business is included, allowing us to be prepared for any situation that threatens the company's operations.

Climate change risks (GRI 201-2)

In the course of the year 2021 we conducted for the first time the Climate Change questionnaire of CDP, a non-profit organization that evaluates environmental impact with the aim of moving towards effective environmental management and climate governance.

This questionnaire provided us with the baseline in the analysis of our climate risks, allowing us to identify those that could impact or are impacting our operations.

Copa Airlines is currently carrying out an exercise to implement initiatives on risks related to climate change, specifically those related to annual CO_2 emissions in ground equipment, water consumption and electric energy use.

The Risk Management Committee and the Audit Committee have the responsibility of ensuring that the various areas of the company periodically identify the risks that could generate impacts from different perspectives, such as economic, reputational, legal and environmental, social and corporate governance. The Nominating Committee is informed of the identified ESG risks, as well as the mitigation and attention measures.

In addition, work is being carried out to strengthen the identification and assessment of climate risks and it is expected that this process will be completed in March 2024.

We present the climate change risks that we have identified:



RISK	DESCRIPTION
Transition to a low-emission technology	On our way to reduce carbon emissions and reach a carbon neutral level by 2050, the use of sustainable aviation fuel (SAF) is indispensable, due to the significant emission reductions that can be achieved compared to conventional jet fuel (approximately 80% less). Currently, the actions contemplated to achieve our Net-Zero goal depend, at a high percentage, on SAF. However, in the actual operational context, there is uncertainty around the production capacity for this fuel and, therefore, the ability to meet future demand in the countries where we operate, especially in Panama and Colombia. If incentives are not generated for the production of sustainable aviation fuel in sufficient quantities and at competitive costs with other regions of the world, meeting our emission reduction targets may be at risk. In addition, we may be subject to possible regulations requiring the use of SAF without having yet regional availability or a well-established supply chain. If this were to happen, we could face sanctions. In Latin America, there is still no substantial production of SAF or incentives for its use, as is the case in other parts of the world. However, through the IATA/ALTA Fuel Committee we are following some production initiatives that are being developed at the regional level. In the short term, we foresee SAF availability in North America, but at high costs. We expect these costs to decrease as production increases, a process that will also require incentives both in the region and in the countries where we operate.
Acute physical (cyclone, hurricane, typhoon)	Extreme weather events such as hurricanes, intense winds and heavy rains can affect our operations. These events may result in delays, diversions of our flights and disruptions in our operations, which in turn increases our operating costs, especially in terms of fuel consumption. To date, we have analyzed these climate impacts by periods, in order to classify them by the magnitude of the impact caused. This classification is based on the duration of the interruption of operations, which varies from less than 1 hour to more than 48 hours. We are currently unable to predict with certainty whether the effects of these events on our operations will increase in the medium and long term. However, we are in the process of strengthening our identification of climate risks, with the aim of having a more complete and accurate understanding of how these extreme events may affect us in the future.
Acute physical Flooding (coastal, fluvial, pluvial, underground)	Our operations in Panama are based in Tocumen Airport, which is exposed to flood risks. Currently, these events do not represent a major impact on our operations; however, in the long term they may represent a risk.

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Ethical and compliance culture



Ethical and compliance culture

(GRI 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3, 206-1, 415-1) SASB (TR-AL-520a.1)

At Copa Airlines we have developed a series of internal policies and regulations that shape the company's compliance model and that contribute to effectively and efficiently articulate our management with the established strategic objectives and at the same time operate under the highest ethical, legal and transparency principles.



Compliance Program

We have a Compliance Program that aims to prevent the commission of crimes and non-compliance with laws and regulations as well as company policies, through prevention, detection, control, monitoring and training activities.

As part of compliance management, we have a training program intended to reinforce the topics of prevention and compliance with laws within existing and future training, as well as the dissemination of the current program.

The Compliance program is composed of the following pillars:

- Organizational commitment
- Risk management, controls and mitigation plans
- Trainings
- Channel for filing reports and internal investigations
- Audits and monitoring

The policies and programs related to ethics and compliance with current laws are: Code of Ethics, Compliance Program, Negotiation and Hiring Policy and Whistleblower Policy.

It is the responsibility of each individual to know and understand the policies of Copa Airlines, the legislation of the country and the regulations applicable to their work responsibilities, including competition laws.

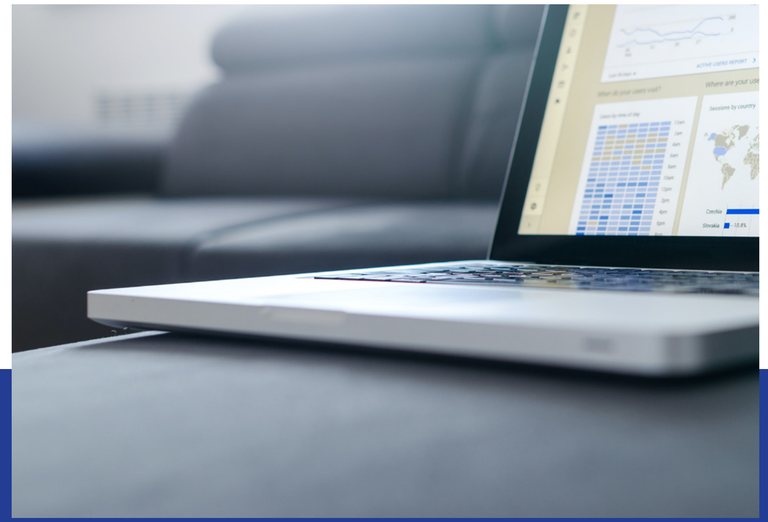
This obligation also includes compliance with internal policies such as the policy of buying and selling shares by people who have privileged and confidential information about Copa Airlines. It is our duty to comply not only with the stipulations of the text of such laws and regulations but also with their spirit.

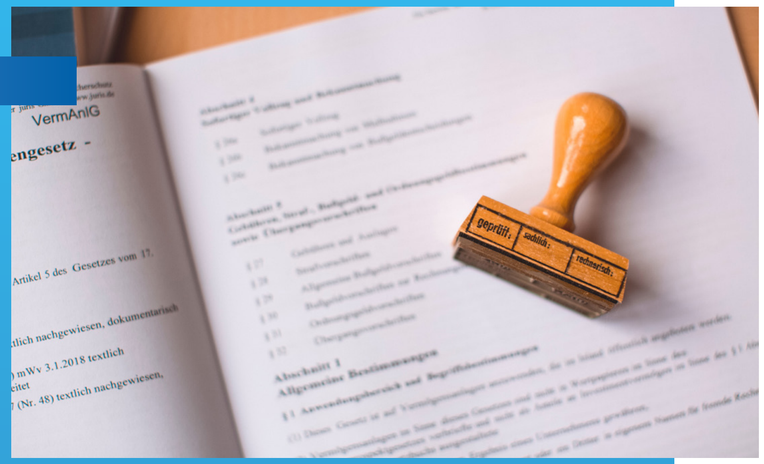
As for our suppliers, we include clauses on crime prevention and compliance with laws in our contracts, as well as clauses on compliance with our code of ethics.

Legal Compliance Committee

To reinforce our organizational commitment, we have a Legal Compliance Committee whose main functions are the approval of the compliance program and its modifications, as well as the supervision of procedures and controls in the field of crime prevention. In addition, the committee is responsible for assessing the risks of non-compliance with controls, high-risk cases and approving mitigation plans. It is also responsible for making decisions on the need to submit suspicious operations reports in accordance with applicable regulations. Finally, the committee deals with any aspect that the company considers relevant and that is in line with current regulations.

During 2022 we had no cases of non-compliance or significant fines related to current legislation and regulations.





Code of Ethics and Business Conduct

Our code of ethics sets the guidelines for behavior and commitment to compliance with **Our Values in Action**, policies, principles and rules, in the decision-making process and execution of our daily tasks. Its rules apply to directors (members of the Board of Directors), members of the various committees, employees and company representatives of third parties.

Our commitment to Value: “I am Honest and Honorable in all my Actions”, is thus not limited only to the text, but also refers to the spirit of all the rules contained in the Code of Ethics and Business Conduct.

Ethics and business conduct committee

We guarantee compliance with the Code of Ethics through the Ethics and Business Conduct Committee, which is lead by the Vice President of Human Resources of Copa Airlines, appointed as Ethics Officer and who serves as chairperson of the committee.

The main goal of the committee is to ensure compliance with the code, as well as its implementation and effectiveness, through periodic reports to the Copa Airlines Audit Committee regarding the procedures and policies put in place throughout the year.



The revisions and approval of the Code are endorsed by a member appointed by the Board of Directors of Copa Airlines, the CEO and the company’s Ethics Committee.

Training

Copa Airlines promotes this Code through its Communication and Corporate Training channels. Every employee of the company will be required to comply with the mandatory recurring certification.

During 2022 we provided training on ethical issues to 40% of our employees at each of the levels of the organization.

Anti-corruption

"Corruption" is understood as any act performed by a public official or servant aimed at inducing a person to give or promise money or benefits in exchange for the fulfillment and exercise of their public functions. At Copa Airlines we prohibit all acts of corruption and bribery by our directors, executives, employees, representatives, business associates and third parties who perform services on behalf of, or representing, the company.

Conflict of interest

A conflict of interest is a situation in which the criterion or decision of the individual may be influenced by economic or personal interest that may affect the making of objective and correct decisions in favor of the company and/or its image.



Transparency, zero (0) tolerance for illegal acts

Illegal acts are those actions that are not legally or morally allowed. Transparency, on the other hand, is the responsible, honest and clear management of all company processes, actions and decisions.

At Copa Airlines we have zero tolerance for illegal, fraudulent or dishonest activities and we recognize our responsibility to immediately identify and investigate any possibility of such activities.

During the current period, we have had two cases regarding competition laws in Panama. One of the cases was closed in a favorable way for the company, while the other is pending resolution in the second instance after the trial judge closed the file.

All the people who work with the airline understand the crimes and penalties that come with taking advantage of their position through the manipulation of information, advantages with public officials, cover-ups, misrepresentation of facts, abuse of privileged information or any other practice that undermines the integrity of the company.

Fraudulent activities or those related to dishonest actions are disclosed in the Code of Ethics, namely:

- Theft of funds, securities, tickets or any other system, program or asset of the company or the client (including cash, baggage or cargo);
- Handling fraudulent reservations;
- Fraudulent handling of fees in any of its forms;
- Misappropriating the company's assets;
- Bribing to obtain benefits;
- Manipulating financial figures and performance indicators;
- Stealing information, for example: customer listings, databases, credit card information;
- Illegal or fraudulent accounting or reporting of money transactions;
- Falsifying or improperly altering business documents;
- Accepting or requesting any inappropriate gift, favor or service that may reasonably influence the employee in the performance of his/her job duties;
- Taking advantage of any company or client program offered to consumers;
- Profiting inappropriately from suppliers, vendors and the State;
- Falsifying expense reports or abusing company funds by means of expense reports;
- Authorize or receive payments for hours not worked, services not provided or rendered;
- Improperly handling employee benefits.

Reports of violations and investigations

We promote ethical behaviors among all our employees, we are able to monitor them by means of supervision of the areas and complaint reports.

All our employees are responsible for ensuring that their behaviors and the behaviors of any person fully comply with Copa Airlines' business policies, including the Code of Ethics.

We provide three mechanisms to report possible violations of the Code of Ethics:

1. **Area manager or director:** the first point of contact to report any violation of the Code of Ethics is the manager or director of each area. He/she must immediately and confidentially submit the complaint to the HR Associate for his/her area or the Ethics Officer without making interpretations or judgments and without omitting or modifying the reported facts, maintaining the confidentiality of the case at all times.

2. *Copa Escucha* **(Copa Listens):** our channel to report with absolute confidentiality and confidence any violation of the laws, rules and principles contained in the Code of Ethics. Even if it is only a suspicion, it is important to report it so that the necessary investigations can be carried out to avoid bad practices. Within Copa Escucha we have received and dealt with cases related to: Conflicts of Interest, Discrimination, Inappropriate Behaviors, Bad Practices with Employee Tickets, Probity, Sexual Harassment, Workplace Harassment.

Employees can file their complaints by:
- Via telephone
- Email

3. **Ethics officer or audit director:** alternate channel for reporting complaints either for confidentiality, security or other reasons. Through this channel, the Vice President of Human Resources, who serves as Ethics Officer, the Director of Internal Audit of Copa Airlines or the Chief Executive Officer (CEO) are directly and immediately informed. The identity of the person reporting an event and the identity of the person reported are handled as confidential information.



Sanctions

Once a case has been reported through the previously described channels, the Ethics Committee assigns the HR area associate who then proceeds with the investigation. The HR area associate reports the progress and final result of the investigation to the Ethics Committee.

Violations of some provisions of this Code which are illegal are subject to civil and criminal obligations in accordance with the legal norms that regulate this matter in the corresponding country or in accordance with international conventions ratified by each country where the company operates.

We note that during 2022 we did not have complaints that would merit a major reprimand or contract rescission measures.

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Responsible supply chain

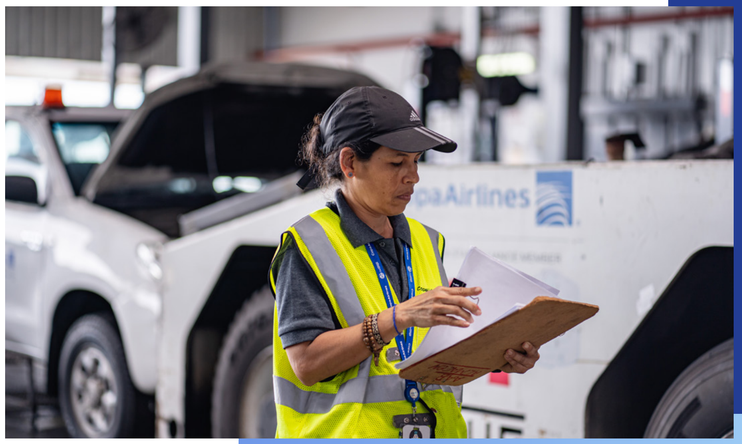


Responsible supply chain (GRI 2-6, 203-2, 204-1)

At Copa Airlines we are committed to maintaining the optimization of our procurement processes, continuously assessing risks and preparing fair and equitable contracts for our supply chain. Thus, we fulfill our commitment to ensure a responsible and sustainable operation.

It is important that our suppliers be aligned with our values and principles, so we share our Code of Ethics and Conduct and include a contractual clause with obligations and guidelines for its compliance in all signed contracts, thus ensuring that we all work ethically and responsibly.





Corporate Negotiation and Hiring Policy

As a company that cares about the sustainability and growth of its business, at Copa Airlines we established a Corporate Policy of Negotiation and Hiring. The goal of this policy is to set a standard for negotiations, approvals and hiring, thus ensuring agreements of value for the company.

The process of procuring goods and services is critical for the sustainability of the business, so our policy seeks to achieve the best value for Copa Airlines throughout the hiring life cycle. This is achieved by acquiring better financial terms, as well as guaranteeing service quality, mitigating risks and establishing clear rules for each of the parties.

In addition, our policy provides guidance on the different forms of contracting, the roles of the areas involved, general guidelines for selecting suppliers, processes to formalize contracting and the corresponding limits of authority. This way, we ensure that we perform our activities in a professional and ethical way, and guide our procurement processes towards continuous sustainability over time.

Supplier management

We have a procurement department which is responsible for managing and evaluating the services of the different suppliers with which the airline works. This includes the selection process for the different areas and services, preparation of contracts, monitoring the performance of suppliers and conducting their evaluation.

TYPE OF SUPPLIERS		
CATEGORY	2022 EXPENDITURE (M USD)	2021 EXPENDITURE (M USD)
Maintenance	$104.1	$41.9
Fuel	$1,052.6	$383.2
TI	$7.3	$3.3
TOTAL	$1,164.0	$428.4

We recognize the importance of working with local suppliers and building strong relationships with them. By doing so, we seek to contribute to the economic development of the region, through close collaboration with local suppliers and by strengthening business relationships with them. By working this way, both parties benefit and a sustainable and responsible business environment is promoted.

To date we have 165 local suppliers and 35 foreign suppliers.

In order to monitor the performance of our suppliers, we follow a supplier management process which allows us to ensure the correct execution of the services and products provided. This process has well-defined and documented rules, expectations and standards, which allow us to monitor the execution and ensure compliance with the established requirements and regulations.

Additionally, we perform cyclical and recurring performance evaluations to our suppliers to ensure that they are meeting the established requirements and standards. Thus, we can identify opportunities for improvement and work together with them when corrective and preventive actions must be implemented.

The success of supplier management is closely linked to clarity and to documenting the required processes and standards. This allows for rigorous monitoring of suppliers' performance and timely identification of problems and opportunities for improvement.



Third-party due diligence

We perform Third-Party Due Diligence as an integral part of our Compliance Policy, which is applied throughout the entire supplier selection process.

Through this process, we are also protecting the interests of the company and we prevent our employees from having commercial relationships with suppliers involved in or convicted of crimes related to corruption, bribery, money laundering, terrorism, weapons proliferation, among others.

By ensuring rigorous Third-Party Due Diligence, we are promoting an ethical and responsible business environment, in which international standards and regulations are met. This also strengthens our commitment to sustainability, contributing to improving our reputation and maintaining the trust of our customers and other stakeholders.

Third-Party Due Diligence forms an essential part of our Compliance Policy, as it helps us evaluate our suppliers and ensure that they comply with our ethical requirements, in order to contribute to a responsible, ethical and sustainable business environment.

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Customer experience



Customer experience
(GRI 2-25, 416-1, 416-2, 418-1)



Service experience

At Copa Airlines we put our passengers and customers at the center of our operations, guaranteeing their safety, satisfaction and trust. Our goal is to be the airline of choice, offering world-class services and products including the highest operational reliability indexes, the best punctuality in the industry and the best connectivity through the Hub of the Americas®.

We continuously work on the experience of our customers and passengers, from the moment they purchase their ticket until they arrive at their final destination, providing differentiated services to frequent flyers, members of our ConnectMiles loyalty program.

We maintain open channels of communication and feedback with our passengers, allowing us to consult with them about their experience, as well as address their needs, suggestions and concerns.

Communication is key to strengthening relationships of trust and loyalty. Therefore, we make sure to inform our travelers clearly about relevant topics such as seasonal offers and promotions, details in preparation for the trip, possible changes in flight itineraries and the delivery of their baggage, as well as disclosing our service policies and fare conditions.

During 2022, at Copa Airlines, we flew more than 13 million passengers through 327 daily scheduled flights between 78 destinations in 32 countries in North, Central and South America and the Caribbean from our hub in Panama City.

We provided our passengers with access to more than 180 destinations through codeshare agreements with United Airlines (UAL) and other airlines. These agreements make it possible for each airline to include its name and flight code on specific routes operated by another.

In 2022 we opened new routes to boost tourism and economic development in the region. We inaugurated the route to Felipe Ángeles International Airport (AIFA), located in the metropolitan area of Mexico City, providing a new alternative to increase connectivity between the Mexican capital and the State of Mexico in a direct and efficient way.

We also announced the reactivation of our flights to Rosario from the Hub of the Americas®, opening new commercial and tourist opportunities for the province of Santa Fe by connecting it with the rest of the American continent.

Finally, we restarted our operations to St. Maarten, allowing the destination to target new areas in Panama and other regions in Central and South America.

In June 2022 we started operations from the new Terminal 2 (T2) of Tocumen International Airport; in doing so, we expanded our service capacity, making 38 counters available for passenger and baggage check-in, distributed in a spacious, modern and comfortable space of more than 1,500m^2. Additionally, we set up 22 self-service kiosks that facilitate the check-in process for flights.



ConnectMiles: Frequent Flyer Program

ConnectMiles is our loyalty program developed to reward our most frequent travelers. Our mission is to offer a world-class program, which provides a differentiated travel experience with exclusive benefits from beginning to end; and to offer additional benefits such as co-branded credit cards and relationships with other aviation and commercial partners that help accelerate the accumulation of miles to reach faster the dream of traveling.

In July 2023, we celebrated 8 years of having our own frequent flyer program. Currently, we have more than 4 million members from more than 130 nationalities. Our ConnectMiles members represent more than 20% of Copa's passengers.

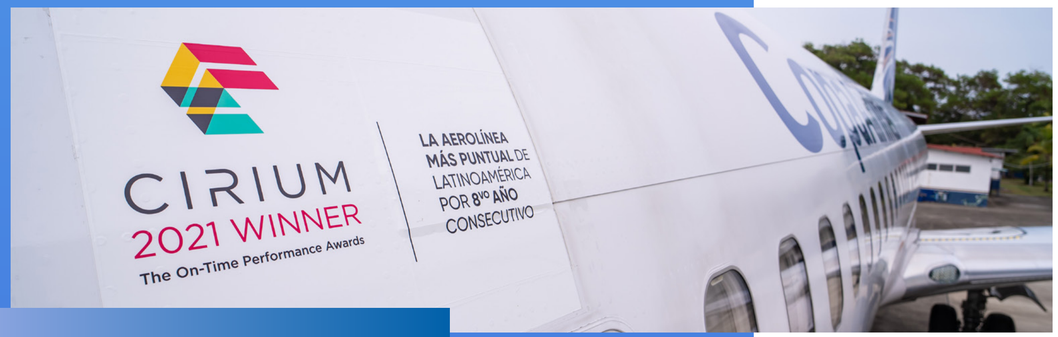


New Copa Club at Terminal 2 of Tocumen International Airport

We have designed an exclusive space for passengers who are members of our frequent flyer program, ConnectMiles, who have PreferMember Gold, Platinum and Presidential status, passengers traveling in Business Class and Star Alliance Gold passengers from airlines from the alliance. These passengers have access to the new and modern Copa Airlines Copa Club located in front of gate 207 of the new T2. The spacious, modern and innovative space is almost 2,000 square meters and has capacity for more than 400 people and various entertainment and rest areas for passengers to enjoy while waiting for their next flight.

The design of the new Copa Club is inspired on a "modern Latin American hacienda" and combines a number of Latin American influences with local details. The space has rest areas, entertainment for the family, showers, and snacks and drinks service.

Inside a Copa Club, passengers have access to services such as high-speed Internet, assistance with reservations and seat assignment, connections for electronic devices and baggage storage spaces.



We are confident that this new Copa Club will be a competitive advantage for Copa Airlines in the frequent flyer, corporate and business segment.

Digital channels and omnichannels

Over the past three years, we have seen a steady increase in the adoption of digital services. A growing segment of our customers is looking for flexibility, information and the ability to self-manage in various situations, whether planned or unforeseen. For this reason, at Copa Airlines we are constantly renewing ourselves, seeking to improve the digital experience of our customers. We are strengthening our digital channels at all stages of the journey to ensure a comprehensive experience that facilitates the journey of our passengers.

In addition, during 2022 we evaluated different satellite Internet service alternatives in order to offer on-board connectivity for passengers in the future.

Likewise, in order to improve our customer service and support to provide greater efficiency and effectiveness, we developed technological projects and improvements in the telephone and digital service processes.



Flight booking
Allows you to book flights using online payments or with miles in just minutes with Copa Airlines.

Mobile app
In our mobile app you will find an experience designed for quick access to purchases, trip management, check-in, and your ConnectMiles account information.

Web check-in
With Web Check-in it is possible to save time and check in for a trip from the comfort of your home or work; with or without bags, before the flight departure.

Notifications
Thanks to Copa Airlines' notification service, by registering an email during the flight booking, you will be able to receive relevant and temporary notifications about your complete travel experience.

My trips
In My Trips you can view the reservation details, select seats or modify the trip preferences.

In our NDC (New Distribution Capability) platform we have the Airline Retailing Maturity (ARM) index status, under the ARM Certification Program of the International Air Transport Association (IATA).

As one of the initiatives to better compete with low-cost airlines, we launched Copa Connect, our new distribution strategy, to encourage greater use of copa.com and a direct connection with travel agencies. Copa Connect is the best way for travel agencies to access Copa Airlines content.

Through Copa Connect, our affiliated agencies will be able to provide their clients with the best offers and content in a more innovative and efficient way. It is available through the following options to travel agencies that decide to establish this connection: Copa Connect Direct, Copa Connect Web or Copa Connect Tech Partner.

Copa Connect Direct — Through the NDC API, travel agencies can connect directly to Copa Airlines' order and offer management systems. Recommended for travel agencies that have a system (API or user interface) that is ready to integrate NDC content.

Copa Connect Web — Our free web-based booking platform for travel agents with an intuitive and simple design that allows them to offer and sell various services. Recommended for small or medium-sized travel agencies.

Copa Connect Tech Partners — Achieved through a connection with technology companies that are already connected to the Copa Airlines NDC API.

Information security and cybersecurity (GRI 418-1)

The company relies on information technologies for all its critical processes, so the main risks we face are associated with the continuity and resilience of those systems. We mainly face challenges associated with cybersecurity, regulations (handling of personal or confidential data) and failures in infrastructure or processes that could cause disruptions to services.

That is why we implemented various measures, initiatives and actions that guarantee the information security of our passengers and customers, as well as the continuity of our systems.

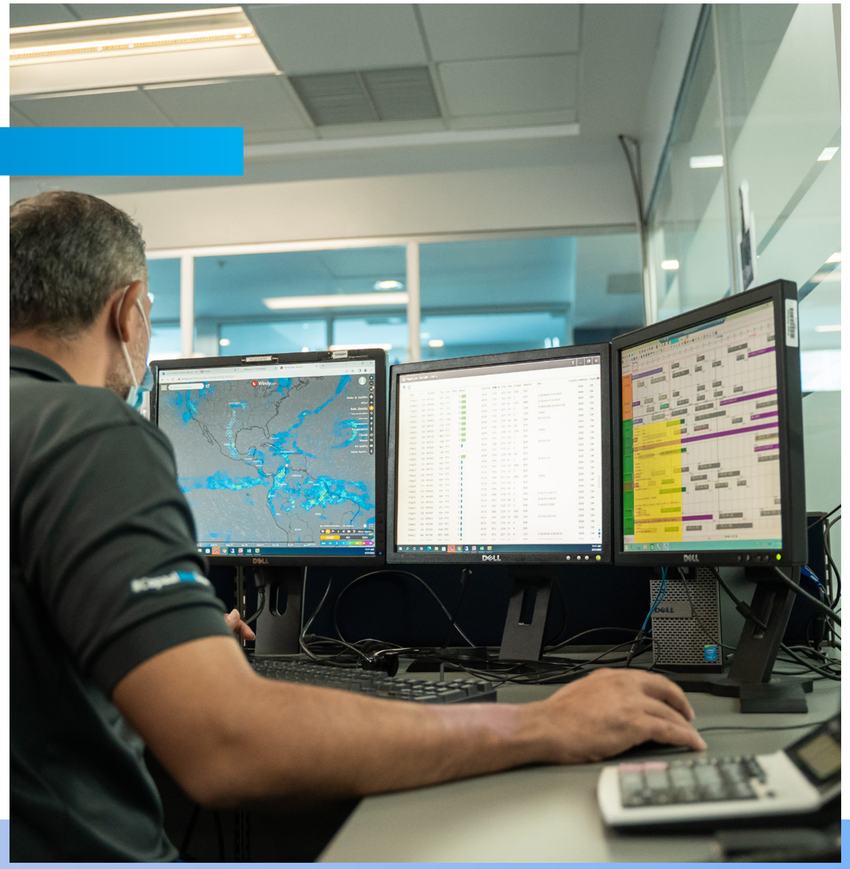
We have a **Personal Data Protection Committee** as part of our corporate governance, we implement specific policies and procedures to protect personal data and to identify security controls and include data protection clauses and addenda in contracts with our suppliers, employees and business partners.

The Customer and Passenger Personal Data Protection Policy defines the frame of reference for the collection, handling and processing of the data, while the Employee Personal Data Protection Policy has similar objectives for the personal data of our employees.

In addition, we have a procedure for managing requests pertaining to customer rights, based on the times and requirements stipulated in the personal data protection regulations, which allows customers to request access, modification and deletion of their personal information, as well as grant or withdraw their authorization for its use.

The goal of this procedure is to ensure compliance with the personal data protection regulations and to guarantee a methodology for handling requests that meets the requirements of availability and delivery times established in the regulations.

Finally, as part of our commitment to safety, at Copa Airlines we promote safe online shopping under the highest security standards. All transactions are protected with encryption technology.



In compliance with Panamanian and international laws, we also conducted specific training on Personal Data Protection during this period. We taught an e-learning course aimed at both administrative and operational employees.

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Operational safety

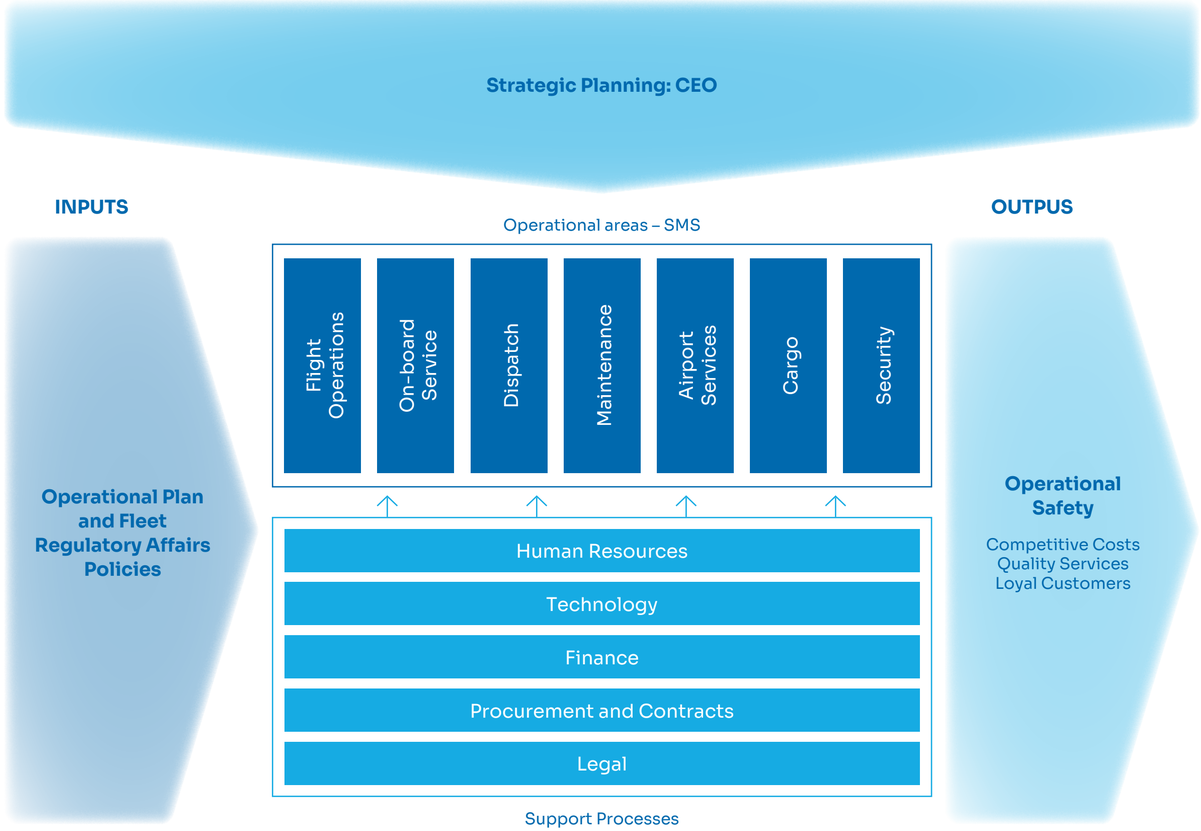


Operational safety

SASB (TR-AL-540a.1, TR-AL-540a.2, TR-AL-540a.3)

The health and safety of our employees and customers is our greatest responsibility, it is present in everything we do and in the way we do it, ensuring their integrity and well-being throughout the use of our services and within the company's and subsidiaries' operations.

We have a Safety Management System (SMS), which is designed to continuously measure and monitor operational safety by identifying hazards, collecting and analyzing data and continuously evaluating latent and potential risks. It is established by the CEO and involves the operational areas of the company that interact with the work teams within the different facilities where activity takes place. We present the operational areas of the SMS in the following diagram:

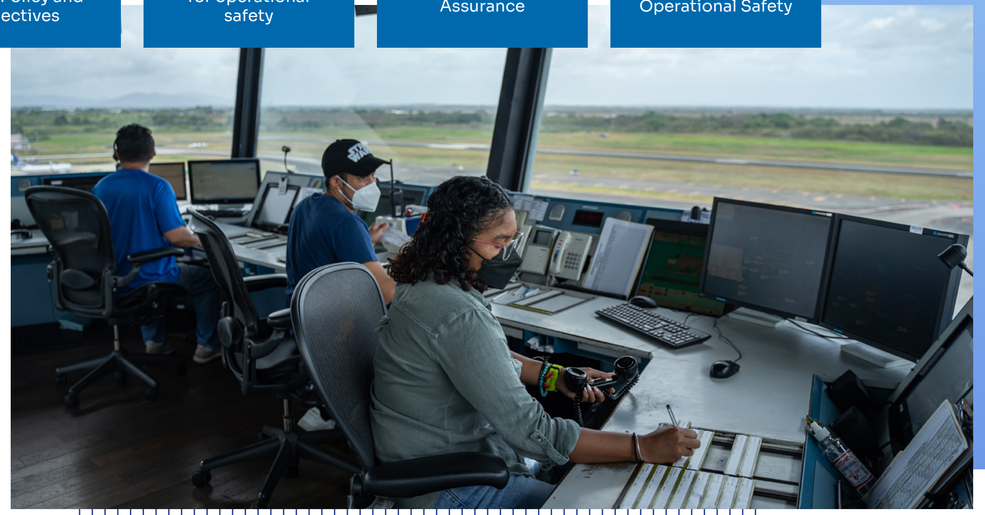


Components of the Operational Safety Management System

We have an Operational Safety Management Manual that describes the SMS guidelines for risk management throughout the operation. The Senior Director of Operational Safety and Quality Assurance establishes the SMS requirements and ensures that all operational areas of Copa Airlines and its suppliers comply with the established standards.

COMPONENTS OF THE OPERATIONAL SAFETY MANAGEMENT SYSTEM (SMS)

- Operational safety Policy and Objectives
- Risk management for operational safety
- Operational Safety Assurance
- Promotion of Operational Safety



Operational security policy and objectives

Our Policy establishes a commitment to develop, implement, maintain and constantly improve the strategies and processes that ensure that all our aviation activities are developed with the highest level of operational safety performance, effectively and efficiently, complying with regulatory requirements and protecting the lives of employees, passengers and suppliers.

We developed safety indicators and goals defined in the Manual of Operational Safety Data Analysis, which are monitored at SMS meetings. These meetings define the actions to be taken when unacceptable or abnormal performance behaviors become evident.

Operational Security Policy

To strengthen the Occupational Safety Policy, there are support policies that are also part of the SMS:

- Continuous improvement policy
- Non-punitive policy

In addition, we implemented change management processes to ensure that any changes in our operations are fully evaluated for their impact on safety, thus continuously improving our processes for SMS.



Operational safety risk management

The Risk Management System (RMS) allows us to identify impacts related to our daily operations and the possible changes in the latter. After identifying the impacts, we evaluate the associated risks and then begin to implement and manage measures to reduce them to an acceptable level. This may involve the elimination of negative or unacceptable impacts and the application of barriers and/or mitigations to control the impacts towards an acceptable level.

Impact identification	Evaluación del riesgo	Aceptabilidad del riesgo
The purpose of the analysis is to identify potential impacts and implement appropriate mitigation measures to ensure an acceptable level of risk. The analysis may consider the interaction of the process with other processes, employee tasks, the environmental and cognitive effect of stress on performance and employee interaction with system components.	The purpose of conducting a formal risk assessment is to prioritize items competing for limited resources and to prioritize risk management. It is used to assist Department/ Process leaders and Area Managers in making decisions affecting corporate safety, operational safety and environmental conditions of the operation.	Implementation and management of measures to reduce these risks to an acceptable level (impact mitigation).

We hold meetings at different levels addressing the RMS program every quarter:

The first level is the **Safety Action Group (SAG)**. It consists of the vice president or leader of the area and his/her direct team members. The main goal is to maintain the lowest acceptable operational risk through accountability for the management of impacts, incidents and findings for that period.

The second level is the **Safety Review Board (SRB)**. It is performed at the highest executive level of the organization. At this level the goal is to review the performance of the RMS and ensure that the risk and its possible impacts are constantly being managed throughout the organization.

Additionally, we have a system that digitally collects flight data generated by a special recorder, the Flight Data Analysis (FDA) System; the data is downloaded periodically and analyzed to identify trends that may affect the safety of the operation and thus take the necessary corrective and/or preventive actions.



Our **Operational Safety Committee** is responsible for following and monitoring compliance with the objectives and actions of the operational safety plan within the established deadlines, it supervises operational safety performance based on the established policy and objectives and advises the director or manager responsible in the matter. Among its main functions are:

- To examine the progress of the organization in relation to the hazards and impacts identified and the measures taken following accidents and incidents.
- To ensure that any necessary corrective action is taken in a timely manner.
- To formulate recommendations to eliminate the identified hazards and impacts
- To review the internal audit reports on operational security and approve the response to the audits and the measures applied.
- To help identify hazards and defenses, to prepare and analyze operational safety reports for the corresponding manager.
- To ensure that appropriate resources are allocated to implement the agreed actions.
- To monitor operations subcontracted by the organization, providing direction and strategic guidance to the operational safety action group.

Ensuring Operational Safety

We continuously monitor and measure the efficacy of our Operational Safety Management System (SMS), where we have defined procedures to verify and validate its performance.



We have the technological tool ACTION LOG, whose purpose is the management of operational hazards. It is used as a tool for the exchange of information throughout the airline and for the development of operational safety cases. In the future, these records will serve as an excellent repository of known hazards and associated controls, for each operational area.

Operational safety reports are one of the tools accessible to all our employees and suppliers, thus supporting the detection of risks within the operation.

All airline personnel who wish to report an unsafe condition or case in the airline have access to the reporting system and it is the responsibility of the operational areas to promote the report among their staff and suppliers.

The types of reports and their handling are as follows:

- Mandatory: operational safety events that must be notified to the aviation authority.
- Voluntary: operational safety events that are not mandatory.
- Confidential: voluntary reports in which the reporter explicitly chooses the “confidential” option.

The channels available for reporting operational safety events are:

- AQD, this system is accessible on the airline’s intranet. It is also a database for managing event reports and audit findings.
- Copaseguridad, this system is accessible on the airline’s intranet and also through the portal www.copaseguridad.com , available to employees and suppliers.
- Safety Report (Pilot’s EFB):
- E-mail to the following address: seguridad@copaair.com , available to employees and suppliers.
- The security reporting application (SARA), available from mobile devices.

The Vice Presidency of Operational Safety and Quality Assurance, through SMS Management, is responsible for evaluating, classifying and recording the reports received. Depending on their nature, the responsible operational area is engaged so that it can monitor and manage them.

Independent operational safety audits

Our audit program consists of three main components.

1.

Aircraft maintenance quality assurance program, supported by six dedicated maintenance professionals.

2.

Internal team dedicated to conducting standardized audits of the six operational areas (flight operations, dispatch, cargo, passenger service, on-board service and security).

3.

Biannual audit of all operational components according to the internationally recognized IOSA (IATA Operational Safety Audit) standard.

In 2022, Copa Airlines successfully completed the IOSA audits by external suppliers.

Promotion of Operational Safety

Our safety culture focuses on assigning responsibilities to department and process leaders to ensure growth towards a positive safety culture. This involves publishing our operational safety policy through the available channels, demonstrating our commitment to safety campaigns, promoting the participation of employees in reports and ensuring that reports are handled in a consistent manner.

As a team, we work together to maintain a strong and effective safety culture across the airline.

The Office of the CEO ensures that the appropriate communication processes are in place and that they are carried out taking into account the effectiveness of the Security Management System. As a contribution to this, there is the Corporate Communications program, whose mission is to ensure that internal communication in the organization supports the airline's strategy (Route to Success) and that information fulfills its function as a collective good for the different dependencies, including third parties.

The Office of the Vice President of Operational Safety and Quality Assurance is responsible for the exchange of communication between directors, management, line and external personnel through internal media such as the Intranet, email and periodic informational meetings. This in order to modify the behavior and/or to eliminate known factors that lead to committing high-risk acts that produce accidents or incidents.



SMS training program

The SMS Training Program covers all employees of all operational areas and suppliers with responsibilities and functions towards the operational safety of the airline. The program discusses the regulations and procedures approved by the airline, as well as legal aspects and requirements mandated by the authorities for an Operational Safety Management System.

The Office of the Vice President of Operational Safety and Quality Assurance of Copa Airlines makes sure to establish and define the training standards for its team and for the personnel of operational areas that have operational safety responsibilities. This is done in accordance with the airline's policies, industry standards and aviation regulations.

Emergency Response Plan

Additionally, we have an Emergency Response Plan which establishes policies, processes and procedures to manage aeronautical and non-aeronautical emergency situations that affect the integrity of the airline, customers, employees, image, equipment and facilities. The airline's Emergency Response Plan is approved by the Civil Aviation Authority of Panama and it adheres to the SMS.

The Emergency Response Plan, in a general manner, ensures:

1.

A detailed process of categorization and activation of the emergency response.

2.

The description of the functions and responsibilities to be performed by the members of this plan in the event of a major incident, crisis or accident.

Occupational health and safety

Aligned with the SMS, we look after the health and safety of our employees, complying with Resolution number 45-588-2011 of the Social Security Fund JD (Board of directors) regarding the General Regulation for Professional, Safety and Hygiene Risks in the Workplace; we have established a comprehensive injury prevention system that focuses on generating compliance regulations for both the company and the employees. We also maintain a manual of Occupational Health and Safety procedures that is available to all employees. This manual describes the safety regulations applicable to the different areas of the company, whether operational or administrative.

Our occupational health management focuses on three axes:

a. Prevention and employee health promotion

Programs designed to maintain and improve the health of our employees, adapted to the requirements of each job position. We develop a program of prevention and surveillance activities that include vaccination days, healthy circuits, health fairs, on-site laboratory tests for the renewal of employee IDs and training in ergonomics and health.

b. Employee health surveillance

We measure and establish occupational risk prevention measures, in addition to the timely detection of work-related diseases. The main objective of these programs is to establish a preventive culture and to promote prevention and employee health monitoring, in order to protect them from occupational factors or risks.

The programs that are available for surveillance and care in the workplace are:

- Medical evaluation program: medical examinations (pre-work, check-ups or recurrent and reinstatement).
- Mental Health Well-being and Support Program.
- Occupational Hearing Conservation Program.
- Job Reintegration and Strengthening Program.
- Primary care and monitoring of known medical conditions, chronic disease management: Hypertension, diabetes, dyslipidemia.
- Promotion of health, well-being, safety.
- Alcohol and drug use prevention program.
- Expanded Immunization Program.



In 2022, we reopened the 5 Copa Salud clinics throughout our organization, and we kept the 24/7 emotional support line completely free and available for employees and their families.

We also incorporated a complete program on health management and occupational risk prevention briefs in our corporate trainings, so that all our employees have complete and updated information on the specific occupational risks of their areas.

C. Reintegration and reinsertion

We understand the importance of an effective reintegration and reinsertion of our employees. Therefore, we have implemented the following programs:

- **Program for work reintegration for health reasons:** This program applies to employees who, due to an occupational illness, accident or common illness, present any temporary or permanent deficiency in their performance due to alterations in their physical or intellectual abilities. Reintegration is handled with sensitivity, training and support, and take into account the characteristics of each case. Reintegrations are carried out according to the employee's work capacity, rehabilitation process and medical-labor recommendations.

- **Criteria for inclusion in the work reintegration program:** This program applies to employees who experience medical disabilities of more than 10 days in flight crews and 30 days for the rest of the personnel, if these are continuous (extension) and if they have the same or a similar diagnosis regardless of the origin. It also applies to employees with medical recommendations.

- **Relocation criteria:** Relocations, which are conducted in accordance with Occupational Health recommendations, are evaluated jointly with the associate and the leader of the corresponding area.



	2020	2021	2022
Fatalities[5]	0	0	0
Serious accident[6]	0	0	0
Minor accident[7]	27	50	49
Hours worked	1.483.245	2.617.416	3.194.139

5 Negative impact on health resulting from exposure to hazards at work.

6 An injury due to an occupational accident that results in a death or harm such that the worker cannot recover, does not recover, or is not expected to fully recover the state of health prior to the accident, within six months.

7 Work-related injury, ailment or disease resulting in any of the following: death, days off work, work restrictions or a transfer to another position, fainting or medical treatment beyond first aid; or serious injury or illness diagnosed by a doctor or other certified healthcare professional, even if it does not result in death, days off work, work restrictions or a transfer to another position, fainting or medical treatment beyond first aid.

	2020	2021	2022
Overall Accident Rate1	3,64	3,82	3,07
Total Recordable Incident Rate	3,64	3,82	3,07

	2020	2021	2022
Occupational disease	0	2	2
Ailments/Injuries	25	45	52

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Employees



Commitment to the team
(GRI 402-1)

The talent that makes up Copa Airlines is the engine that has enabled us to continue flying to connect more and more destinations and people. We know that employee satisfaction is key to the sustainability of the business, so we provide growth opportunities under an ethical culture of integrity and respect. In addition, we care about the mental and physical health of each of them; thus, we have robust operational safety processes and well-being programs that reconcile our workers' family and personal life.

In addition, we maintain constant communication with our team, which is managed in accordance with the internal communication strategy within the HR Manual. The latter regulates the dissemination of relevant and business-impacting information, while defining corporate communication and listening channels, ensuring they are correctly used. In the same way, we promote open communication channels and arrange quarterly meetings in Panama, where our CEO shares the company's performance and encourages feedback from attendees.

With our compensation strategy, we reinforce our determination to retain talented and highly motivated employees. It is designed to align their interests with those of the board of shareholders, through profit sharing.



Labor demography
(GRI 2-7, 2-8, 2-30, 405-1, 407-1)
SASB (TR-AL-310a.1)

At the end of 2022, Copa Airlines' workforce consisted of 7,287 employees with a **representation of 35% women in the total workforce.**



Approximately 85.2% of the Company's employees are based in Panama, while the remaining 14.8% is distributed throughout our stations abroad. All of our employees work in full-time mode.



Employees by professional category

	2022	2021	2020
Pilots	1,230	1,040	1,060
Flight Crew	2,344	1,822	1,462
Aviation mechanics	610	477	340
Wings above and below*	1,022	913	1,087
Management and executives	2,059	1,875	1,718

* Customer service agents, reservation agents, ramp and others

Note: In 2022 we closed with 22 Directors and VPs, not represented in the table.

Distribution of employees according to their professional category and age:

	UNDER 30 YEARS OF AGE			BETWEEN 30 AND 50 YEARS			OVER 50 YEARS OF AGE		
2022	**M**	**W**	**TOTAL**	**M**	**W**	**TOTAL**	**M**	**W**	**TOTAL**
Pilots	1,230	196	46	242	764	79	843	142	3	146
Flight Crew	2,344	320	400	720	763	787	1550	42	32	74
Aviation mechanics	610	202	24	226	284	15	299	83	2	86
Wing above and below	1,022	229	62	291	402	192	594	96	40	137
Directors and VPs	22	0	0	0	6	2	8	14	0	14
Management	350	4	1	5	135	116	251	73	21	94
Executives	1,709	188	129	317	643	592	1235	87	70	157



Currently, about 65.4% of our employees are unionized, and are members of eight trade union organizations. Of these, five include employees in Panama and three, employees in Colombia, in addition to other trade union organizations in other countries where we operate.

With the recovery of the company, new opportunities have been created for our employees. Since the beginning of the year, the entire pool of pilots and crew members who were on leave has become reactivated.

Women represent **34%** of the workforce.

65.4% of our employees belongs to a collective bargaining agreement.

65% of our employees are between 30 and 50 years of age.

85.2% of the Company's employees are located in Panama.

We increased our workforce by **19%** compared to last year.

697 internal promotions.

New hires (GRI 401-1)

At Copa Airlines, we remain committed to attracting, selecting and retaining the best local talent to strengthen our operations and provide the greatest possible satisfaction to stakeholders and customers. We continuously strive to create an attractive work environment, offer opportunities for development and professional growth, and foster a culture of collaboration and teamwork.

NEW HIRES BY AGE GROUP AND GENDER		
AGE CATEGORY	M	W
Under 30 years of age	527	311
Between 30 and 50 years	488	141
Over 50 years of age	81	9
Total	1096	461

We have hired more than 1,500 new employees, providing new job opportunities when they are most needed.

By 2023, we plan to remain one of the largest generators of private sector employment in Panama. We estimate we will generate 520 new jobs in Panama, bringing us to a total of more than 7,600 employees, 5% higher than in 2019.

Turnover

We strive to maintain a robust and sustainable workforce over time. The level and demand of the industry forces us to have highly qualified personnel, however, competition in the market to recruit talent is becoming more complex and represents greater challenges; for this reason, at Copa Airlines we focus on preparing and educating future talents through our academies, ALAS and ATA, not only for Copa, but for the aviation industry.

Below we present the turnover that took place during 2022.

	VOLUNTARY		INVOLUNTARY		TURNOVER RATE*			
AGE CATEGORY	MEN	WOMEN	MEN	WOMEN	MEN	RATE	WOMEN	RATE
Under 30 years of age	65	51	37	10	102	5.7%	61	3.4%
Between 30 and 50 years	108	65	51	16	159	3.3%	81	1.7%
Over 50 years of age	12	6	12	5	24	3.4%	11	1.6%
Total	185	122	100	31	285	3.9%	153	2.1%

* The turnover rate was calculated by dividing the total number of dismissals by the total number of employees by category



Training and career development (GRI 404-1, 404-2)

We are pleased to underscore that, during this year, as promised, we reactivated the entire pool of pilots and crew on leave. Additionally, we are proud to share that more than 900 internal promotions were awarded, including 59 promotions to the position of captain and 334 promotions of cabin crew to roles of business class and head of cabin crew.

We note that this year, we registered the largest number of first officers in the process of promotion to captain in the company's history, with a total of 84 applicants. The requirements for this process included completing a combination of flight hours at Copa Airlines, experience at certain airports where we operate, a written and psychometric test, in-flight examinations and an interview with operational and human resources leaders. This achievement is further proof of our commitment to the professional growth and performance of our teams.



16%

of the group of promoted first officers were women, representing 11% of the total number of pilots, one of the highest percentages in the industry for this position.



We closed the year with more than 1,200 pilots, of which 51% are captains and 49% are first officers. Considering the projected growth in passenger demand, an annual increase of 200 pilots in our workforce is expected from 2023.

2022 was the year with the most promotions in the company's history with **929 promotions.**

Along with professional growth opportunities, we offer training to all employees, including pilots, dispatchers, flight attendants and other technical personnel. In addition, we provide ongoing training in customer service, as well as leadership and team management workshops for our managers. By doing so, we ensure that all employees have the necessary training to perform their duties and provide an excellent service.

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Copa Academy

Through our e-learning platform, more than 1,900 employees have completed courses related to continuous improvement tools such as Agility, SCRUM and Excel among others. This platform is the key tool to expand the scope of training since it is available 24/7, it also has a significant number of courses and trainings that facilitate the development of employees.

We had 1,900 participants in specific training programs for different areas and more than 1,400 courses covering corporate competencies.



Training academies

Through our academies, the Latin American Academy of Higher Aviation (ALAS) and the Academy of Aeronautical Technicians (ATA), we have contributed to the development of technical and operational talent in the aviation industry, increasing the pool of trained and experienced persons in the aviation sector. We have invested more than USD$1MM, and in 2023 we will be investing an additional USD$ 4.5MM for the purchase of 8 new aircraft with two simulators to be used to train new Panamanian pilots.

ALAS, the Latin American Academy of Higher Aviation

In order to meet the demand for skilled labor, we continue to promote the Latin American Academy of Superior Aviation (ALAS), a non-profit institution dedicated to training young Panamanians to become commercial pilots.

Since its foundation in 2013, ALAS has graduated more than 160 Panamanian pilots. During 2022, ALAS added **64 new graduated pilots to that figure and currently has 80 active students. It is estimated that about 50 new pilots will graduate in 2023** who will be joining the Airline's pilot team.

ALAS Scholarships

We have developed a partial scholarship program to financially support our Panamanian and foreign employees with permanent residence in Panama and their relatives in their aviation pilot career. Every year, we allocate a sum to support the development of our staff and their families as they achieve their aviation pilot career.

In addition, we have the "LIFT" pilot development and leveling program for the development of new talents. This program focuses on training young Panamanian pilots who meet the necessary requirements but have not reached the minimum standard of experience to join our Airline.

The LIFT program consists of a 100-hour theoretical training, followed by a 23-hour technical training in flight simulators. More than 90 pilots participated in the first briefing session. In addition, the selection process for applicants includes several face-to-face tests. It should be noted that this program is endorsed by the Ministry of Labor and Labor Development, thus granting it curricular value.





ATA, the Academy of Aeronautical Technicians

Copa Airlines continues to promote the Aeronautical Technicians Academy (ATA), whose goal is to train highly qualified personnel in maintenance and inspection of aeronautical systems, under local and international quality standards, to meet the existing demand.

Since its foundation **it has graduated 132 aviation mechanics and currently has 110 students pursuing their studies in it.** This non-profit program recruits young people from Panamanian technical and vocational schools, offering training at no cost to the student and with a **monthly scholarship of USD$350** while they finish their degree.

In the next four years, ATA aims to graduate 137 technicians specialized in structures and systems.

Academy of Aeronautical Technicians (ATA) Scholarships

We are proud to financially support the young students and employees who enter the academy through the scholarships awarded by Copa Airlines' Fundación Despega. These scholarships offer a monthly financial contribution and cover all necessary expenses, including transportation, life and health insurance, uniforms and materials associated with their training. In addition, the degree itself is awarded at no cost to the student.

Performance evaluation
(GRI 404-3)

At Copa Airlines, we evaluate the performance of our employees through the fulfillment of objectives, a competency model and, in the case of leaders, leadership attributes. This performance management process is fundamental for the development of our leaders and teams and to achieve the priorities and goals of our company.

We have specific evaluation models for the Executive Committee, leaders and administrative employees without subordinates. As for the employees in operational positions, such as pilots, aviation mechanics, crew members and others, an evaluation process is carried out based on the parameters established by the regulatory authorities and found in the operational and administrative manuals of each area. During this process, aspects such as compliance with values, attendance, discipline and performance are evaluated.

In addition, a formal feedback session is held between the employee and his/her leader, in which the achievement of the objectives and/or projects are reviewed, as well as the expected competencies for each position. During this session, opportunities for improvement are addressed, strengths and achievements are highlighted, and action plans for the coming year are established. This instance provides an opportunity to provide constructive feedback, identify areas of growth and encourage the professional development of the person evaluated. This process is available for active employees under the executive and managerial payroll and does not apply to employees on leave or regular payroll.



100% of the administrative employees and about 60% of the operational force participate in performance evaluations.

Within Copa Airlines we have succession plans, whose goal is to ensure the permanence, growth and continuity of the business. Suitable talent is identified, to occupy and/or replace the leadership and/or critical positions of the company in the future.



Commitment and work environment

Equal opportunities (GRI 405-1, 406-1)

Our Diversity and Inclusion Policy promotes a culture of respect for diversity and inclusion at all levels of the company. Aligned with the commitment to gender equality and diversity, we continue to voluntarily subscribe to the Commitment "25 by 2025" of the International Air Transport Association (IATA), a program that seeks to promote gender diversity in the airline industry by 2025. As part of our goals within this initiative, we seek:

1. To increase the number of women in senior positions (to be defined by the member airlines) by 25% compared to the current number or achieve a minimum representation of 25% by 2025.
2. To increase the number of women in jobs with a minority female presence, for example, pilots and operations, by 25% compared to the current number or to achieve a minimum representation of 25% by 2025.

During 2022, 16% of the first officers who were promoted to captains were women, which shows our commitment to fostering the advancement of women in the aviation industry.

Our initiatives in favor of gender equality are not limited only to the operational field. 9% of the executive and vice-presidential positions in our organization are held by women, and 40% of managers are also women.

We reassert our commitment to promote equal opportunities for all people in our organization, in order to maintain these advances and promote a fair and inclusive work environment for each individual.



We have a Copa Airlines Diversity and Inclusion Committee called ELEVA. This committee is responsible for defining the strategy that promotes a culture that respects, values and includes diversity, and that promotes actions that strengthen inclusion in all our talent management processes and initiatives. In this way, all employees can feel that they can grow and achieve their personal and professional goals within our organization.

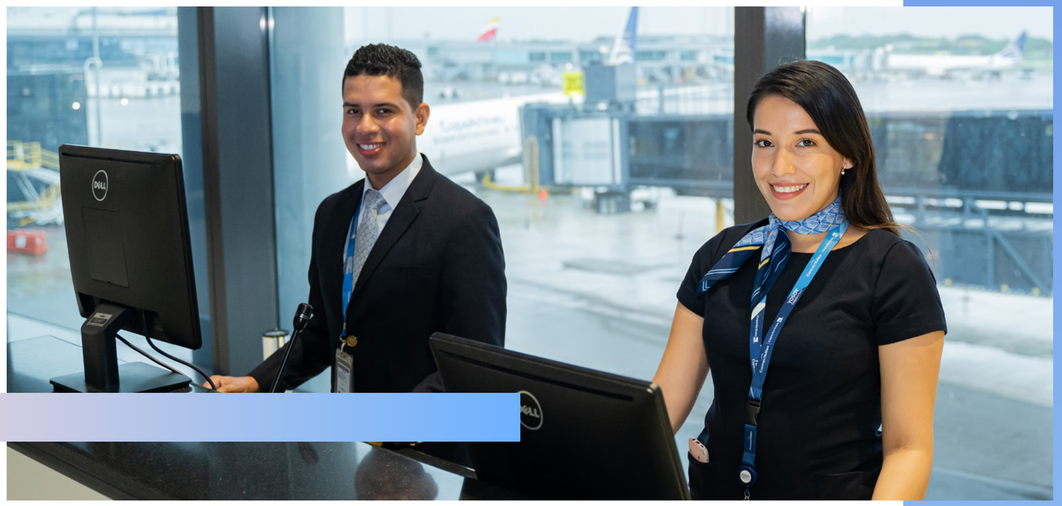
40%
of management positions are held by women.

11%
percent of our pilots are also women.

16%
percent of the first officers promoted to captain are women.

We have subscribed to the UN Women commitment to promote gender equity and equality since 2018, through the Women's Empowerment Principles (WEPs) program and have received for 3 consecutive years the SIGENERO Gold Seal, awarded by the Ministry of Labor and the Ministry of Social Development for good work practices in this area.

We have 30 persons with disabilities in different areas of our company and we promote inclusive practices for their adaptation to working life.



Work climate

GRI 401-2, 401-3, 407-1, 201-3

At Copa Airlines At Copa Airlines we strive to maintain a work climate that promotes the satisfaction and well-being of our employees.

This year we consolidated the implementation of the hybrid work model in order to strengthen our value proposition for employees. This approach allows us to maintain and improve the productivity, efficiency and collaboration necessary for the competitiveness of our company, in the face of a changing environment. We support the adoption of this model as a measure that allows us to improve efficiency and productivity, while ensuring that we maintain a healthy and collaborative work environment.

Employee Value Proposition

It is structured into key pillars that represent our commitments to employees, including aspects such as their well-being, professional development and growth, as well as an inclusive and equitable work environment. Each of the pillars represents a specific approach that allows us to design and offer programs and benefits that meet the needs of employees, enabling their professional and personal growth.

Corporate Culture	Work Stability and Pride	Values and Culture of recognition	Contribution to the Route to Success and the goals of the company	Corporate Communication
Compensation and Benefits	Compensation based on Job valuation	Performance review and Profit Sharing Payment	NR Tickets and Travel Benefits	Discounts and Promotions
Growth and Development	Challenging work and Opportunities to Learn	On-the-job training and development and self-development tools	Formal Training	Promotions and Career opportunities
Work Climate	'The Way of the Leaders' Model	Teamwork and collaboration between the areas	Resources, facilities and tools for work	Optimal Conditions in all areas of work
Employee Wellbeing	Health and Healthy Lifestyle Programs	Employee Support Program	Work-Life Balance and Sports Activities	CSR and Volunteering Program

Organizational Climate and Commitment Survey

Every year, we conduct an Organizational Climate and Commitment Survey through an external company. This survey assesses a number of essential aspects within our organization such as the commitment index, the climate and employee satisfaction in addition to other organizational aspects relevant to the company.

The Organizational Climate and Commitment Survey allows us to have a complete view of how our organization is doing in terms of the commitment and well-being of our employees, which helps us identify opportunities for improvement in our policies, processes and programs.

In this way, we guarantee the implementation of measures that contribute to strengthening the organizational culture, improving the work climate and increasing employee satisfaction.



Benefits

We have developed a benefits policy that seeks to provide a pleasant, safe and respectful work environment. This policy applies to all active employees who have been permanently and directly hired by Copa Airlines. For its design, we took into account the Employee Value Proposition "EVP", the provisions of Collective Agreements, legislation in the countries where we operate, the volume of employees and the type of payroll.

Our Benefits Plan includes a wide variety of initiatives, such as:

- Free health and vaccination services
- Free flight tickets
- Schedule flexibility
- Savings funds
- Scholarships to children of employees "*Despega la educación de tus hijos*" (Launch our children's education)
- Allowance for eyeglasses
- Transportation benefit for employees in Panama along the agreed routes and at the stations that apply
- Discounts on freight forwarding and courier services
- Allowance for the death of a family member
- Uniforms in accordance with the agreements made in the different collective agreements
- Benefit for Clinics in Panama
- Unpaid leave or work permits
- Discounts in a variety of shops and restaurants
- Lactation rooms

In addition, we are proud to present the program *"Copa Contigo"*, wich emerged as a response to the COVID-19 pandemic and whose purpose is providing support and accompaniment to our employees and former employees in four areas that ensure their quality of life: comprehensive health, family and social well-being, personal finance management and professional development.

The occupational health of our employees is a priority for us. We have a team specialized in Occupational Health in charge of managing and developing prevention and health promotion programs for our employees. To learn about the details and initiatives in occupational health and safety, please refer to the **Operational Security** section in this report.

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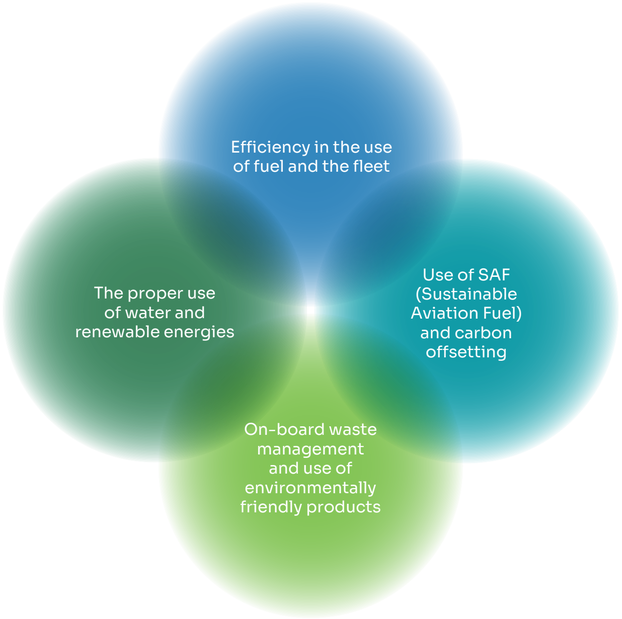
Creation of environmental value



Introduction (GRI 2-27)

At Copa Airlines we are aware of the impact we have on the environment from the sector in which we operate, we committed ourselves to the goal of Net Zero Carbon by 2050, established by IATA. This goal implies a significant reduction in our environmental impact and an active contribution against climate change.

We developed our Environmental Sustainability and Governance Policy, supported by a specific medium-term goal: the reduction of 13% of CO_2 emissions per seat-kilometer offered by 2026. To achieve this goal, we have adopted concrete measures such as the incorporation of the latest generation aircraft, including the new Boeing 737 MAX models. This has resulted in a significant improvement in fuel consumption efficiency and emissions reduction. In alignment with this policy, we have a strategic plan with short, medium and long-term objectives in four fundamental pillars:



Furthermore, the **Environmental Management and Adaptation Program (PAMA)** is implemented in all our facilities in Panama, including the maintenance center, the support facilities at Tocumen International Airport, our administrative offices in Costa del Este and the training center in the City of Knowledge/Clayton. The approval of this program by the National Environmental Authority of Panama in 2013 (now called the Ministry of the Environment) has allowed us to carry out actions such as recycling, the efficient use of natural resources and the proper disposal of untreated wastewater used for aircraft maintenance, among others. Under this commitment, we annually inform the Ministry of the Environment on environmental monitoring and follow-up through the final report of the PAMA on Copa Tocumen International Airport.

During 2022, we took an important step towards a more sustainable future, by conducting a demonstration flight in collaboration with Boeing, seeking to promote the use of sustainable aviation fuels. In addition, we implemented various initiatives, such as the use of solar energy and the reduction of plastics on board; moreover, we continued with our recycling program to reduce the amount of waste generated in flight.

We recognize that the road ahead is still long, and we know that, in order to achieve environmental objectives, it is essential to have the commitment and collaboration of governments, regulators, manufacturers and industry suppliers. Working together will allow us to access sustainable aviation fuels (SAF), improvements in airspace management efficiency and new aviation technologies. We also seek to complement our efforts with high-quality carbon offset projects to achieve neutrality in our emissions.



On our way to fulfilling our goals, in 2023 we will continue with:

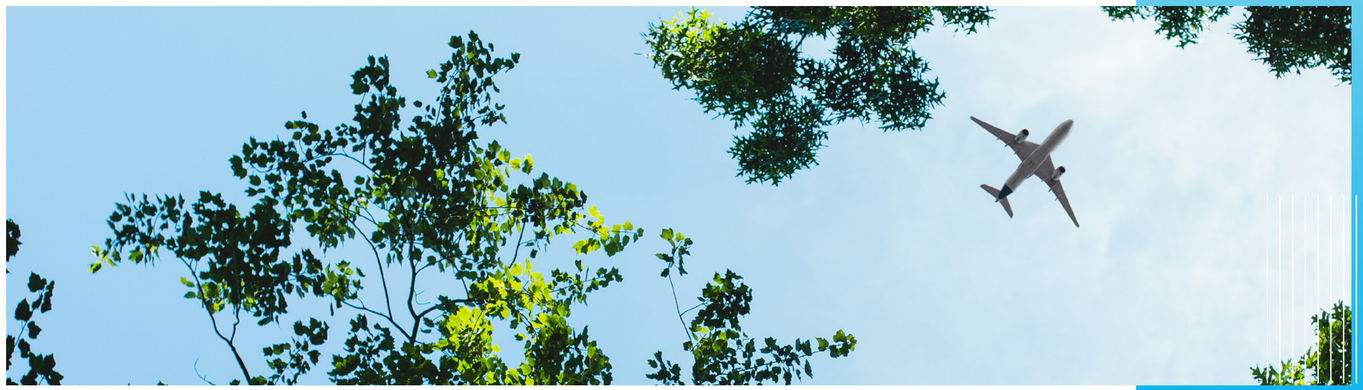
- The Plan to replace tractors and aircraft and baggage support equipment with electric vehicles.
- The elimination of a high percentage of single-use plastics on our flights.
- The adoption of solar panels (phase 2 in Hangar and Setracasa).
- The launch of the CO_2 offset program in www.copaair.com
- ESG risk analysis.
- The definition of the SAF fuel strategy.

It is worth noting that, during 2022, we have not been subject to any sanctions or incidents arising from non-compliance with environmental regulations.

Emissions
(GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-7) SASB (TR-AL-110a.1, TR-AL-110a.2, TR-AL-110a.3)

The airline industry's carbon emissions and their impact on climate change have become a particular focus for the international community. With this concern in mind, we have implemented various initiatives to mitigate our carbon footprint and reduce emissions:

- Reducing the percentage of use of the aircraft auxiliary power unit.
- Optimizing the flight plan to maximize efficiency in fuel consumption (Flight Plan Manager).
- Incorporating state-of-the-art technologies in our fleet that contribute to the reduction of emissions.
- Implementing the fleet renewal action plan, incorporating aircraft with lower fuel consumption and lower carbon emissions.
- Acquisition of electric ground support vehicles.
- In 2022 we started initiatives to reduce single-use plastics on board our aircraft, replacing them with biodegradable products.
- Demonstration flight using SAF.
- Increase in the use of solar energy by 50 KWH per month, reaching 600 KWH per year.
- Weight reduction in components and catering, as well as the use of Electronic Flight Bags that help reduce fuel consumption in flight.



Thanks to these initiatives, we have managed to significantly reduce our environmental impact without compromising the excellence in our service and flight safety.

Since 2019, at Copa Airlines we have maintained the practice of reporting our fuel consumption and annual greenhouse gas emissions to the corresponding Civil Aviation authorities in Panama. These actions reflect our commitment to the efforts of ICAO and the Civil Aviation Authorities of Colombia and Panama towards the implementation of CORSIA, the Carbon Offset and Reduction Scheme for International Aviation. In October 2020 we successfully delivered the first gas emissions report pertaining to the operations of 2019, after undergoing the audit of our external Verifying Body duly accredited by the ICAO. Subsequently, in May 2022 we submitted the Emissions Report corresponding to the 2021 operations.

Furthermore, we possess a modern aircraft fleet. Our Boeing 737 models incorporate important innovations designed for fuel efficiency. Even so, we remain focused on the technological progress and the continuous renewal of our fleet. To this effect, we have formalized the order for the acquisition of 86 Boeing 737 MAX aircraft, of which there are 66 aircraft to be delivered between 2023 and 2028. The acquisition of the MAX series offers additional benefits to our current fleet including increased range, additional capacity in the seating configuration and increased fuel efficiency, which allows us to continue working to renew, innovate and contribute to the reduction of emissions in all our operations.

Below, we present the detail of GHG emissions Scope 1 and 2:

DIRECT EMISSIONS | SCOPE 1 | (tCO_2eq)			
	2019	2021	2022
Air operation (Use of Jet fuel A1)	3,102,576.53	1,693,855.65	2,792,340.61
Ground operation (ATO and administration diesel and gasoline)	5,836.37	4,878.10	4,525.76
TOTAL	3,108,412.90	1,698,733.75	2,796,866.37

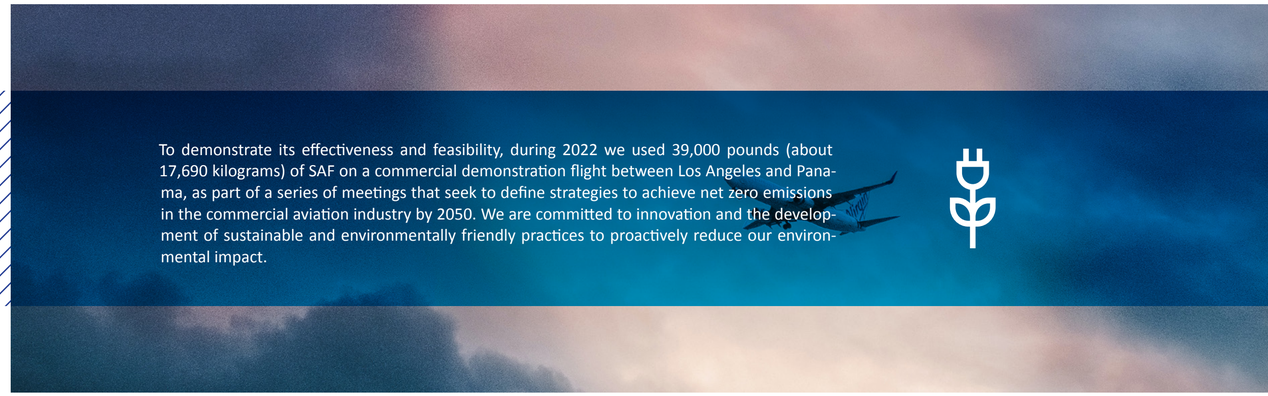
INDIRECT EMISSIONS | SCOPE 2 | (tCO_2eq)			
	2019	2021	2022
Use of electricity	5,912.26	4,786.12	5,506.66

TOTAL EMISSIONS			
UNIT	2019	2022	VAR 19-22 (%)
tCO_2eq	3,114,325.15	2,802,373.03	-10%

	2019	2022	VAR 19-22 (%)
Emission intensity ($tonCO_2eq$/ASK*)	77.06	71.28	-8%

* Kilometers per available seat
ASM(2022) = 24,430
ASK (2022)= 39,316
ASM (2019) = 25,113
ASK (2019) = 40,415

In partnership with Boeing, we acquired 39,000 lb of SAF. The amount of fuel purchased is a mixture of 70% fossil aviation fuel (normal aviation fuel) and 30% non-fossil aviation fuel (SAF).



To demonstrate its effectiveness and feasibility, during 2022 we used 39,000 pounds (about 17,690 kilograms) of SAF on a commercial demonstration flight between Los Angeles and Panama, as part of a series of meetings that seek to define strategies to achieve net zero emissions in the commercial aviation industry by 2050. We are committed to innovation and the development of sustainable and environmentally friendly practices to proactively reduce our environmental impact.

Other Milestones in 2022:

1.

Installation of solar panels in the Hangar, achieving a reduction of approximately 15% in energy consumption.

2.

10 electric baggage tractors purchased and received for GSE, representing a 157 Ton reduction in CO_2 emissions.

3.

For the passenger emission compensation program we are working with CHOOOSE, where travelers can calculate and compensate their flight's CO_2 emissions and support renewable energy projects and the conservation of forests.

Energy (GRI 302-1,302-3, 302-4, 302-5, 3-3)

At Copa Airlines, as part of our actions for sustainability and the implementation of more environmentally responsible processes and practices, we have been developing initiatives over the years that have allowed us to improve our efficiency in energy management and reduce our environmental impact.

Energy consumption

FUEL CONSUMPTION				
		2020	2021	2022
Jet A & Jet A1 Aviation fuel	Gallons	91,531,706	174,543,039	288,873,731
Gasoline	Gallons	12,086.84	12,854.15	28,153.47
Diesel	Gallons	213,779.83	462,047.38	415,422.36
TOTAL	Gallons	91,757,572.67	175,017,940.53	289,317,306.83
TOTAL	GJ	12,290,842.08	23,444,196.63	38,750,457.24

ENERGY CONSUMPTION (kwH)			
	2020	2021	2022
Electricity (non-renewable sources)	8,259,894.00	9,435,672.00	10,856,191.00
Electric energy (renewable sources-solar energy)	419,399.56	358,197.04	301,704.25
TOTAL	8,679,293.56	9,793,869.04	11,157,895.25

We avoided the emission of 153,04 tCO_2 thanks to the use of solar energy.

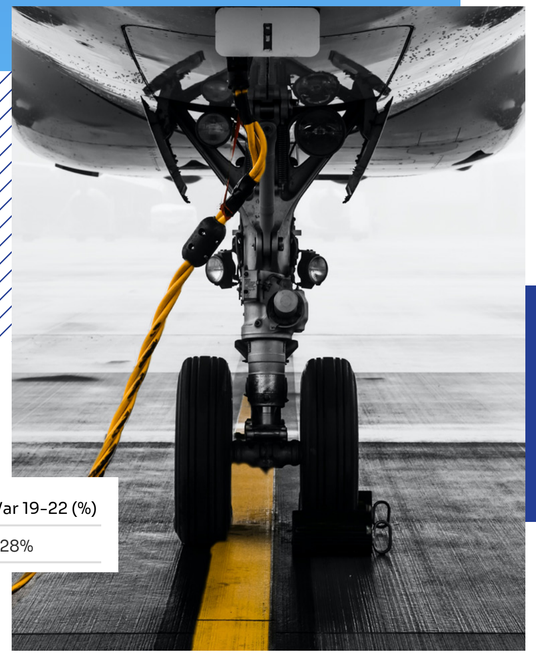
ENERGY CONSUMPTION (GJ)	
Electricity	40,168.39
Fuels	38,750,547.24
TOTAL	38,790,715.63

INTENSITY* ENERGY GJ/ASK	2021	2022	Var 19-22 (%)
	1,382.96	986.63	-28%

* Compared to what was reported last year, this year we reported the intensity per ASK instead of the number of flights operated. So the change is made in 2021.

We use 30% biodegradable products for the on-board service.

The on-board plastic reduction initiative prevented the use of 2.6 million units of plastic in 2022.



Materials and waste management (GRI 306-1, 306-2, 306-3, 306-4, 306-5, 3-3)

In 2022, we collected a total of 150 tons of recycling materials at Copa Airlines facilities in Panama, thus avoiding sending waste to the landfill.

During the same period, we recycled vehicle oil and aircraft fuel. We hired a specialized company for the collection of 11,063 gallons of hydrocarbons. These materials are reused as an alternative fuel in other industries, thus avoiding the pollution of natural resources.

We have properly disposed of a total of 24,570 kilograms of chemical waste from Aircraft Maintenance operations.

We also outsourced the collection of 435,879 gallons of water contaminated with chemicals generated during aircraft cleaning and painting operations and vehicle maintenance processes.

The subsequent treatment of the collected water allowed us to recover 348.703 gallons of water that were later returned to nature.

We recently launched the Ground Connectivity Program, in which all the documents required by our pilots for their flights are scanned, thus reducing an estimated 40 pages per flight. **By doing so, we saved 3.8 million sheets of paper during the year.**

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Creation of social value



Creation of social value
(GRI 413-1, 413-2)



At Copa Airlines, we seek to improve the quality of life of people in Panama and the countries where we operate, through our social programs and projects. We have several initiatives, strategically focused on supporting children, education and health. We also make contributions to humanitarian causes.

Fundación Despega is our social arm, through which we carry out social impact programs that have reached more than 500,000 people in the last 10 years, through 15 foundations or non-governmental organizations (NGOs). Our focus areas are early childhood, care of children at social risk, with a disability or deprived of parental care. One of the initiatives that we have been executing for several years provides support to improve the quality of life of cancer patients.

As for education, we invest in a program to prevent school desertion, in development programs and mentoring for students in their final years of secondary school, we grant scholarships in bilingual schools for children of employees, in addition to scholarships to access our training academies for technicians in aviation such as pilots, mechanics and cabin crew.

Social Programs – Fundación Despega

During 2022, we resumed our donation and volunteering activities in collaboration with Fundación Despega, which had been interrupted due to the COVID-19 pandemic.

- Over the past 10 years, we have been organizing the **Copa Tech Ops Golf Tournament** to raise funds for non-profit organizations and to launch programs that have a positive impact on the lives of Panamanian youth, children and adults. Thanks to this initiative, to date we have managed to **impact more than 500,000 people through 15 foundations** or NGOs and raise **over 2.5 million dollars** to support social causes.
- We support foundations such as Nutre Hogar, Casa Providencia, Fundación Ayudando a Vivir and Fundación Academia CAI which support children at social risk, with disabilities and deprived of parental care of the municipalities of Tocumen and 24 de diciembre.
- We contribute to improving the quality of life of **1,000 low-income patients** from the Chemotherapy Patients Association - ASONAPAQ, FANLYC and Oncological Hospital - joining in the effort to support patients who survive cancer.
- **171 tickets were donated for humanitarian causes** and medical emergencies, to offer support for social causes providing opportunities and a better quality of life to 500 people and their families.
- We have our Donate Miles **program** in which passengers donate their miles to contribute to NGOs such as Make a Wish and *Obsequio de Vida* (Gift of Life).
- In partnership with the Fondo Unido de Panamá (United Way), we continue our work on Early Childhood programs and teacher training.
- In 2022, Viaje Inolvidable was relaunched in its twenty-seventh edition and 130 children from multigrade schools of Chepo, Pacora and Río Piedra fulfilled their dream of flying for the first time on board a Boeing 737-800 aircraft with the message: *"With education it is possible to achieve dreams".*



17,200
Beneficiaries of the Donations

171
Donated to Medical Emergencies and humanitarian causes

+2,730
Students benefited in Tocumen #todopanama

8
Academic Tours with more than 400 students

31 NGO
Beneficiaries with Prize Tickets

130children
Participated in *Viaje Inolvidable* 2022

Viaje Inolvidable (An Unforgettable Trip)

In December 2022, we held the twenty-seventh edition of the Copa Airlines *Viaje Inolvidable*. On this occasion, we are very proud to have given the opportunity to 130 children between the ages of 7 and 12, from multigrade schools in Río Piedra, Pueblo Nuevo de Pacora, Altos de Pacora, Mamoní Arriba and Carriazo, to fly by plane for the first time and enjoy the beautiful landscapes of Panama from 30 thousand feet.

This special flight was operated by the airline's Boeing 737-800 NG and sought to convey an inspiring message, reaffirming that studies are the key to success and that everything is possible if we strive and commit to our education. During the flight, the children had the opportunity to meet professionals who, like them, believe in the importance of education as a tool for self-improvement, such as our Aeronautical Engineer Adonis Prado, who was the poster child for the 20-30 Telethon in 2006, and Marielis Quintana, first officer for the flight and former participant of *Viaje Inolvidable* in 2011.

This unforgettable trip would not have been possible without the hard work and commitment of our Organizing Committee, composed of volunteers and employees from the airline, or without the valuable support of our sponsors, who contribute to this activity year after year: Petroleos Delta, Steven's, Busmen, LSG Sky Chef, Sheraton, Alcogal - (Alemán, Cordero, Galindo & Lee), Attenza, GALA (Galindo, Arias & Lopez), T-shirts Interamericana, EMI, JS Media Production, Festieventos, United International Picture, Booth and Fund, Mamá Claus - Delina de Varela, La Italiana, Aqua Viva, Panama Clean Services, Asados Gaby Dana, Momi Salta Salta, COCA COLA and Del Monte.

- For 2023, we will relaunch our Volunteer Program Despega Tocumen. Through this program, we implement actions to improve the infrastructure of schools and the quality of education in the Tocumen area. Our goal is to prevent school desertion and provide training to future professionals. In addition, we will continue to support National Sports as a way to encourage a healthy lifestyle and promote physical activity. We are also committed to supporting and promoting opportunities for talented athletes who represent our country in local and international sporting events.

Other social contribution programs

Third edition of the Copa Airlines Hackathon: “Infrastructure as Code”

Copa Airlines, Microsoft and the Technological University of Panama (UTP) successfully held the third edition of the Copa Airlines Hackathon. With the participation of more than 500 students from the leading universities of the country, the event focused on the theme “Infrastructure as Code”. Other companies such as Business IT, Tigo Business, Banistmo and Veeam Software also supported the event.

The goal of the Hackathon was to provide future professionals with training and experience in skills on high demand in the labor market, specifically in cloud technologies.





Promotion of tourism and Panama Stopover

In 2022, we successfully attracted over 100,000 additional tourists to Panama thanks to our initiatives to boost the tourism sector. These results were possible thanks to a series of promotional campaigns that we launched including incentives and special rates on airline tickets, the lifting of health requirements for entry into the country, and the improvement in connectivity through the Hub of the Americas®, located at Tocumen International Airport.

Together with the Tourism Promotion Fund (PROMTUR Panama), the first phase of our Panama Stopover program campaign was a success from August 2021 to September 2022, attracting more than 9,000 tourists per month as of May 2022. This figure exceeded those achieved in the same period of 2019.

This campaign makes a social contribution by promoting tourism and the economy of Panama, attracting more tourists to the country and offering the opportunity to explore this vibrant region. The program also partners with various organizations in Panama to strengthen tourist destinations and promote social responsibility projects. In addition, it provides passengers with a unique experience during their trip, which can improve their perception of the region and increase their commitment to sustainable tourism.

National Oratory Competition

We contributed more than 15,000 dollars for the prizes of the National Oratory Competition, the most important and transcendent event in the country. It promotes healthy competition, intellect and leadership among young people who, through the art of public speaking, address and analyze current issues that have marked the historical development of the country year after year.

Héroes por Panamá (Heroes for Panama)

Héroes por Panamá is the flagship social responsibility project of TVN Media, whose mission is to highlight the good deeds of ordinary people who are doing extraordinary work; within the program we support Marea Verde Foundation, which is a non-profit association that takes action and creates awareness on how to mitigate solid waste pollution in the rivers and coasts of Panama.

Social Responsibility Wingo

From Wingo, we contributed USD 2,165 to the United Way and Sanar initiatives. In addition, two volunteer projects were carried out with employees and families in which 30 volunteers participated in the planting of 32 trees and 17 volunteers participated with the Food Bank in Colombia.

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Economic performance





Economic performance

During 2022 we maintained continuity of the business and moved forward along with the reactivation of the sector after the COVID-19 pandemic. We seek to reach and exceed our pre-pandemic numbers in terms of operations and our financial and economic performance.

Our goal is to maintain our profitable growth and improve our position as leaders in Latin American aviation by providing a combination of quality customer service, convenient schedules and competitive fares, while keeping costs accessible and profitable.

Strategy

Expanding our network by increasing travel frequencies and adding new destinations

Continuing our focus on keeping our costs low

Prioritize quality service and value for our customers

Key operational and financial data

SASB TR-AL-000.A, TR-AL-000.B, TR-AL-000.C

At Copa Airlines we carry out our commercial activities through an air transport operating segment which includes passenger, cargo and courier revenues. Management regularly reviews performance reports to analyze results and make decisions on resource allocation. By doing so, we can ensure that we maintain high quality standards in our service and continue to offer efficient and reliable transportation solutions to our customers.

DISTRIBUTION OF INCOME BY REGION

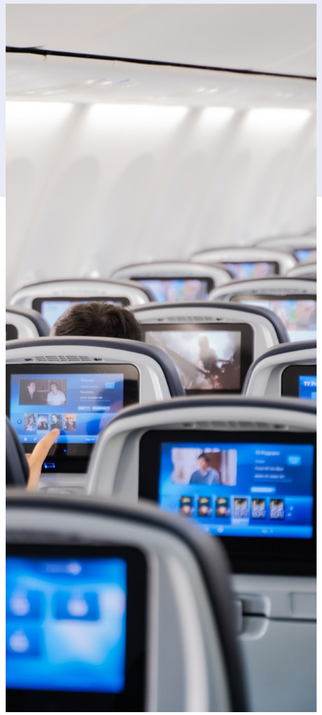
	2022	2021	2020
North America	32.7%	28.9%	29.8%
South America	37.4%	37.6%	36.0%
Central America	28.0%	32.0%	31.6%
Caribbean	1.9%	1.5%	2.7%

Notes
- North America: USA, Canada, Mexico.
- Central America: Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Belize and Panama.
- Caribbean: Cuba, Dominican Republic, Haiti, Jamaica, Puerto Rico, Aruba, Curacao, Sint Maarten, Bahamas, Barbados and Trinidad and Tobago.

During 2022, our passenger transportation revenue reached USD$2.8 billion, which represents 95.3% of Copa Holdings' total revenues. The remaining value corresponds to cargo operations and other activities and is 3.4% and 1.4% respectively.

In 2022, revenues grew by 9.5% compared to 2019.

As for our cargo operations, which are mainly based on the movement of goods and parcel service, we generated revenues of approximately USD$ 101.8 million in 2022, which is an increase of 42% compared to the previous year.



MAIN OPERATIONAL DATA

Available Seat Miles (ASM)[8] (Millions)	24,430
Load Factor[9]	85.1%
Unit Income per ASM[10] (in USD cents)	13.59

8 It represents the number of available seats on our aircraft multiplied by the number of miles the seats are flown.
9 It is calculated by dividing the actual passenger traffic (RPM: Revenue Passenger Mile) by the ASMs.
10 It is the average amount a passenger pays to fly one mile.

As for fuel costs, there has been a significant increase due to the international context that resulted from the war between Ukraine and Russia, in addition to the high demand for oil.

AIRCRAFT FUEL DATA

	2022	2021	2020	2019
Average price per gallon of aircraft fuel (in US dollars)	$ 3.60	$ 2.14	$ 1.81	$ 2.16
Gallons consumed (in millions)	291.4	177.4	92.8	321.4
Gallons per ASM (in hundreds)	1.19	1.19	1.27	1.28

Generated and distributed economic value
(GRI 201-1, 201-4, 203-1, 3-3)

At Copa Airlines, our commitment to sustainable development is reflected in the transparent distribution of our revenue, which contributes to the growth of our stakeholders and contributes to the economy of Panama's and other countries where we operate.

Below, we present the distribution of our generated value, excluding the sum assigned to maintain the company's financial stability. It should be noted that we do not receive financial assistance from the government.

COPA HOLDINGS, S. A. AND SUBSIDIARIES			
For the year ending on December 31 (In thousands of USD$)			
		2022	2021
Income (Economic value generated, EVG)		$2,965.03	$1,509.93
Costs and Expenses (Distributed economic value, DEV)		$2,287.16	$1,134.04
Operating costs and expenses[11]		$584.50	$352.90
Salaries and benefits (to employees)		$380.38	$258.13
Suppliers	Fuels	$1,052.60	$383.20
	Maintenance services	$104.10	$41.90
Payments to the government (taxes and contributions)		$40.18	$10.49
Other administrative expenses		$125.40	$87.43
Retained economic value[12]		**$677.87**	**$375.89**



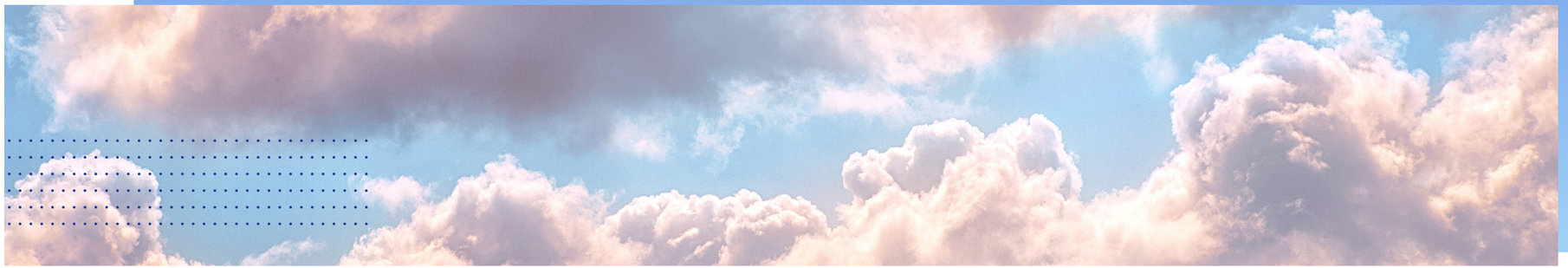
11 Costos y gastos operativos involucra: Servicios de pasajeros, instalaciones aeroportuarias y gastos de manipulación, ventas y distribución, y operaciones de vuelo.

12 Valor económico retenido se calcula: VEG-VED.

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Flying towards 2023

Flying towards 2023



Strengthening and increasing Panama's connectivity

In the first half of 2023 we launched three new destinations, Baltimore and Austin, in the United States, and Manta, in Ecuador; we now operate a total of 80 destinations in 33 countries of the American continent.

The Airline's international connectivity is greater than that of other hubs in the region, which provides a competitive advantage to Panama. This demonstrates the impact and strategic relevance of the Hub of the Americas® in the country's economy. In addition, Panama's unique connectivity results attractive for airlines from other parts of the world which operate their flights in the country.

With the addition of new routes and the increase in flight frequencies to various destinations, we estimate a growth of 11% in the number of passengers compared to 2022. By the end of 2023, we expect to fly 16.1 million passengers, reaching an operation of 328 daily flights and surpassing the levels prior to the pandemic.

Increasing tourism in Panama and contributing to economic growth and social development in the country

At Copa Airlines we will continue to implement successful initiatives to boost tourism and the Panamanian economy, such as the "Panama Stopover" program, which encourages passengers in transit to stay a few days in Panama. Since 2019, this program has attracted more than 260,000 visitors and it is estimated that in 2023 more than 115,000 tourists will arrive, taking advantage of the Panama Stopover.
Additionally, we continue to offer promotional rates to Panama through the "Irresistible Panama" initiative. As a result, there was a 27% increase in visitors on board flights. To this effect, we contribute with the promotion and publicity of the country using our social media platforms, copa.com, and other company-owned advertising spaces such as the on-board magazine Panorama.

Likewise, with the growth of the company, we will continue to positively benefit the production and progress of local companies by bringing more products on board that are 100% Panamanian, for the enjoyment of the millions of passengers who travel on Copa Airlines throughout the continent. Currently, our main suppliers of products that are part of the on-board service are small Panamanian companies such as Café Rogusta, Comercializadora Nico and F&F Foods.

Generation of employment opportunities for Panamanian talent

By2023, we plan to remain one of the largest generators of private sector employment in Panama. We estimate we will generate 520 new jobs in Panama, bringing us to a total of more than 7,600 employees, 5% higher than in 2019.

In order to meet the demand for skilled labor, we continue to strengthen the Latin American Higher Aviation Academy (ALAS). Likewise, with regards to the demand for aviation mechanics, we continue to promote the Aeronautical Technicians Academy (ATA).

ENVIRONMENTAL AND SOCIAL OBJECTIVES

ENVIRONMENTAL	SOCIAL
↘ In ALAS we will incorporate 8 Diamond DA40 aircraft, which are more environmentally friendly since they consume up to 50% less fuel compared to similar equipment. ↘ We will conduct a risk analysis for Climate Change, in which we will identify physical and transitional risks (legal, market and technological) using climate scenarios. This will allow us to implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework in our next report.	↘ We will increase the number of employees to 7,663, which represents an increase of 5% compared to the 2019 figure. ↘ We plan to generate 520 new jobs in Panama including regular hires (due to resignations, retirements, etc.), which would lead us to more than 1000 people hired. ↘ We continue to promote the Latin American Academy of Higher Aviation (ALAS), where we currently have 80 active students, and we estimate to graduate about 50 new pilots in 2023. ↘ We project an investment of USD$5 million in the renewal of the fleet of training aircraft. ↘ We will have 5 flight simulators and we will make a total investment of USD$ 50 million in the Training Center in the City of Knowledge.

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Annexes

Annex I: Details on ESG management
- Relationship with Stakeholders (GIs)
- Materiality study
- Contribution to the SDGs
- Contribution to the 10 Principles of the Global Compact

Annex II: Reporting standards
- GRI table of contents
- SASB parameter contents

Relationship with stakeholders (GRI 2-29)

We acknowledge the importance dof connecting with our stakeholders as key for the achievement of social interest and to develop a shared business model that is responsible and sustainable.

Within the changing context in which we operate, we seek to stay aligned with pillars of transparency and open dialogue, in order to generate relationships of trust and shared responsibility that strengthen our capacity for resilience. For this end, we have defined our stakeholders as well as dialogue mechanisms to facilitate our approach with each of them.



CHANNELS AND MAIN STAKEHOLDERS OF COPA AIRLINES

STAKEHOLDER (GI)	VALUE PROPOSITION	CHANNELS	
Employees	We are committed to ensuring a healthy and safe working environment by providing opportunities for professional development and growth which include training and leadership. All of this is part of an organizational culture based on values of trust, well-being, respect and transparency, both for our internal employees and for third parties.	↘ Quarterly talks ↘ Meetings of the divisions with their leaders ↘ Intranet ↘ E-mails	↘ Screens in common areas ↘ Ethical Line – Copa Escucha [Copa Listens] ↘ Face-to-face and online trainings ↘ Performance evaluations
Customers	We offer a service of excellence to our customers by improving the customer's experience with any of the products and services we provide, meeting their needs, and always ensuring their health and safety.	↘ Website ↘ E-mails ↘ Social media ↘ Satisfaction survey	↘ Mobile app ↘ Customer care modules ↘ Counters
Industry and general suppliers	We guarantee transparent and fair purchases under standards of quality which benefit the development of both parties, generating sustainable relationships over time.	↘ E-mail ↘ Performance and acquisition evaluations	↘ Procurement/administration division ↘ Website
Trade Unions	We provide support to trade union organizations as they are essential actors in the spaces for negotiation and social dialogue of Copa Airlines.	↘ Results reports ↘ Public partnerships	↘ Open dialogue ↘ Website
Shareholders	We protect the investment of each of our shareholders by constantly growing the business and through transparency throughout the company's decision-making and financial results.	↘ Board of Directors ↘ Quarterly results report ↘ Financial Reports	↘ Website ↘ Journals
Commercial partners	We maintain strategic partnerships that provide us with extensive business opportunities in order to offer our customers more options and services within their experience of flying with Copa Airlines.	↘ Regular meetings ↘ Negotiations	↘ Open dialogue ↘ Website
Regulators	We comply with the current applicable legislation, and remain up to date with regulatory updates in the countries where we operate, protecting the rights of customers and other stakeholders.	↘ Results reports ↘ Public partnerships	↘ Open dialogue ↘ Website
Community	We contribute to social development through connectivity and by focusing on meeting the needs of our children, education and health.	↘ Social media ↘ Website	↘ Regular meetings ↘ Open dialogue
Media	We provide transparent information on ESG performance to the media.	↘ Phone calls ↘ Public partnerships	↘ Open dialogue ↘ Website
Financing banks	We operate following their requirements, promoting the management of environmental, social and governance (ESG) aspects. Their support is key in consolidating efforts within the company.	↘ Results reports ↘ Annual report ↘ Quarterly financial information	↘ Open dialogue ↘ Website
NGO	We support various non-profit organizations in volunteering initiatives, mainly aiming to strengthen and promote better corporate social responsibility towards children, education and the environment.	↘ Open dialogue ↘ Regular meetings	↘ Website ↘ Phone calls

Materiality study (GRI 3-1, 3-2)

During 2022, we carried out our materiality study, which allowed us to identify the critical issues in environmental, social and corporate governance (ESG) matters. This exercise is performed by consulting the perception of our stakeholders and it aligns with the strategic vision of the business, defining its relationship with the priorities and goals of our strategy Route to Success.

We carry out this process under the concept of double materiality, which allows us not only to identify the issues that have an impact on ESG, but also to understand their impact on the economic performance of the business.

Impact materiality

The materiality of impact, or socio-environmental materiality, is carried out under the methodology of the Global Reporting Initiative (GRI) and reflects the most significant impacts of the company outwards: on the economy, the environment and people; these impacts can have positive or negative consequences for the company (in its operation, reputation and financially). The exercise was carried out by consulting the internal leaders responsible for managing our relationship with employees, suppliers, investors, airports, community, customers and authorities.

Financial materiality

Financial materiality identifies the ESG factors that may have a potential impact on our financial performance, operating result and cash flows. Therefore, ESG issues pertaining to the environment and their relationship with the company, which have an impact on the economic and financial performance.

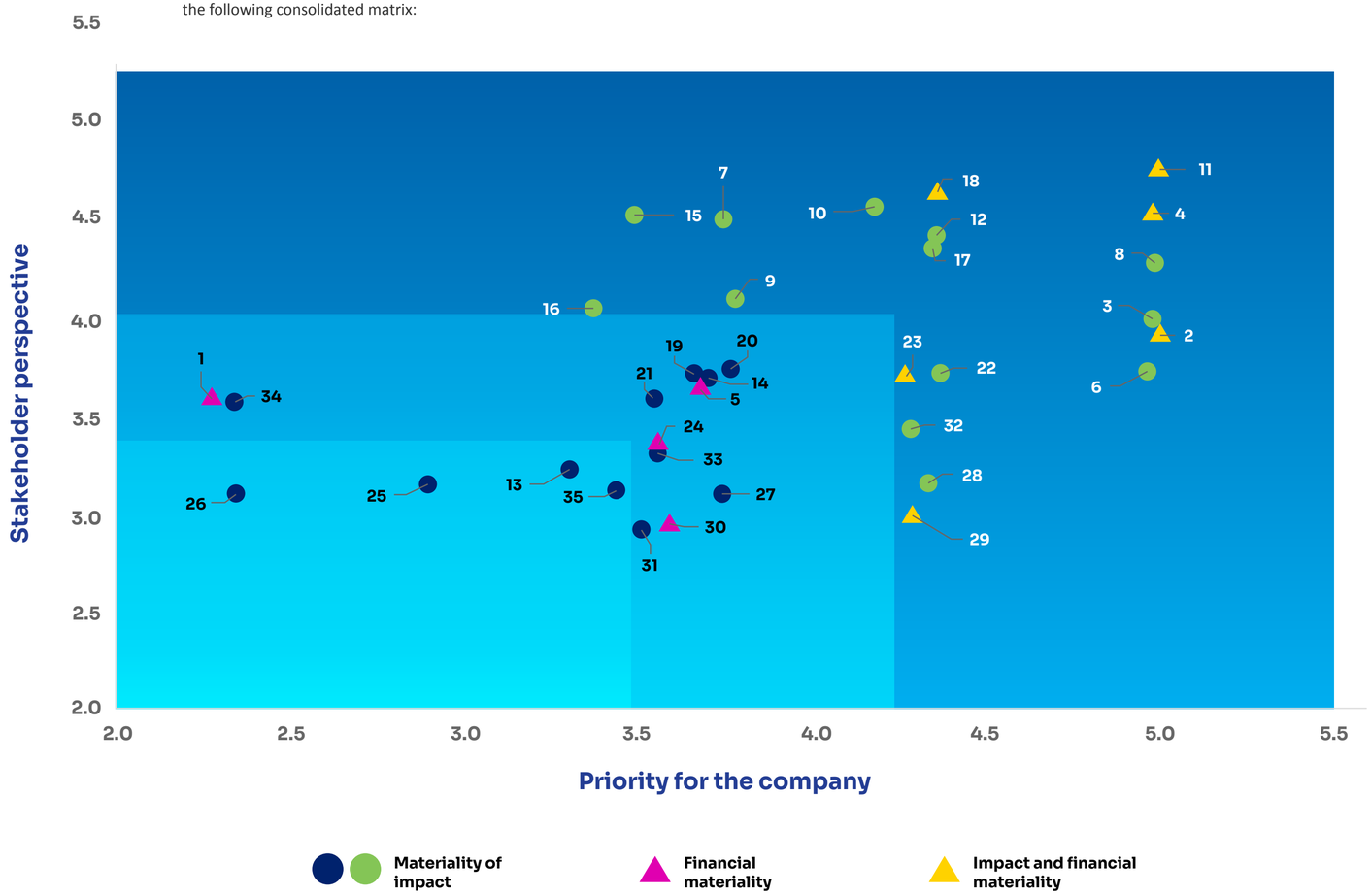
It is a materiality that responds to the concerns of investors.

Given the analysis and consultation process previously carried out by the Sustainability Accounting Standards Board (SASB) at the international level for the development of the standards by industry, we apply the topics that this initiative establishes for the industries in which we operate such as: Airlines, Air Cargo and logistics.



Copa Airlines impact materiality matrix

As a result of this analysis, the priority topics are presented in the following consolidated matrix:



TYPE MATERIALITY		MATERIAL ISSUES (17)
▲	11	Air and ground safety
▲	4	Culture of compliance
●	8	Economic and financial sustainability
▲	18	Employee health and safety
●	3	Corporate governance
▲	2	Ethics and anti-corruption
●	12	Customer experience
●	10	Development of the fleet
●	17	Air connectivity
●	6	Efficiency in the processes
●	7	Government relations
●	22	Talent attraction and retention
●	15	Protection of privacy (consumer and data) (cybersecurity)
▲	23	Freedom of association and trade union relations
●	32	Climate change risks (Transitional) (regulation, market, technology)
●	28	Energy efficiency
▲	29	GHG emissions

TYPE MATERIALITY		EMERGING ISSUES (14)
	9	Regulatory changes
	20	Employee learning and development
	16	Innovation in Products/services
	14	Consumer rights
	19	Organizational culture and well-being
▲	5	Healthy competition
	21	Diversity and equal opportunities
	33	Social investment: education
	27	Waste management for ground operations
▲	30	Cleaner energy : Biofuel
▲	24	ESG supplier assessment (responsible procurement)
	31	Risks of climate change (physical) (climate)
	34	Social investment: other topics
▲	1	Development of suppliers

TYPE MATERIALITY		EMERGING ISSUES IN THE MEDIUM AND LONG TERM
	35	Disaster support
	13	Marketing and communication
	25	Noise management
	26	Materials and waste on board (circularity)

Markets in **green** correspond to the material topics only for impact materiality.

Markets in **yellow** are materials for both the impact exercise and the financial materiality.

Markets in **pink** are materials only for financial materiality.

In addition, we have linked the issues that emerged as material with the Sustainable Development Goals (SDGs) of the United Nations, thus prioritizing our contribution to them. To find out about our contribution to the SDGs, please refer to the corresponding Annex in this report.

Contribution to the Sustainable Development Goals (SDGs)



Since their approval in 2015, the SDGs have been fundamental for the identification of the main trends and challenges in environmental, social and corporate governance (ESG) matters for Copa Airlines. Consequently, we have established a business model that is distinguished by its sustainable approach and the creation of shared value for all our stakeholders, actively addressing the resolution of the main social problems and challenges worldwide.

With this approach, we reaffirm our commitment to contribute to the Sustainable Development Goals established by the United Nations Organization. We focus our efforts on the SDGs in which we can contribute significantly according to our material themes, well aware of the importance that companies have for achieving these objectives.



SDG 17 is presented in a cross-cutting manner because of its focus on partnerships, of value in addressing the different material issues.

Next, we address our contribution to the SDGs, which is also detailed throughout this report.

CONTRIBUTION TO SDG TABLE

SDGS	MATERIAL ISSUE	CONTRIBUTION	INDICATORS
3 Health and well-being	↘ Employee health and safety ↘ Air and ground safety	We strive to maintain a workforce that is healthy in every way through 3 pillars of occupational health: prevention and promotion of employee health, employee health surveillance and reintegration and reinsertion, thus guaranteeing the physical and emotional health of our employees.	↘ The 5 Copa Salud [Copa Health] clinics are reactivated throughout our company. ↘ Keeping the 24/7 emotional support line completely free and available for employees and their families. ↘ There are no reports of serious accidents or diseases in our workforce. ↘ 3.07 accident rate in 2022. ↘ 0 deaths or serious accidents during 2022. ↘ We reactivated Copa Salud. ↘ Return of 90% of employees who left on voluntary retirement plans due to the COVID-19 pandemic. ↘ 71 air tickets donated for medical emergencies.
4 Quality education	↘ Talent attraction and retention	We ensure a career plan within the organization under guidelines of meritocracy and good teamwork, fostering and promoting the technical and operational knowledge necessary to perform activities with the highest quality and rigorousness. We have a modern corporate training platform, Copa Academy, designed to develop the skills of our employees through continuous and digital training and learning. We have a Service Academy where employees are trained in the areas of On-Board Service, Passenger Service, CTO, Commercial and Call Center.	↘ 17 Training programs are developed at Copa Academy for the operational areas. ↘ 2 new training modules are developed under the program *"Así somos los líderes de Copa"* ↘ 1,900 participants in specific training programs for different areas. ↘ More than 1,400 courses aligned with corporate competencies.
7 Affordable and non-polluting energy	↘ Energy efficiency	In alignment with our sustainability strategy, we aim for all our energy sources to be renewable in the long term.	↘ We placed solar panels in Hangar 2 - Resulting in a reduction in energy consumption of approximately 15%. ↘ Emissions are reduced by 8% thanks to the fleet renewal action plan for aircraft. ↘ 153,04 tCO_2 of emissions is avoided from the use of solar energy.
8 Decent work and economic growth	↘ Freedom of association and trade union relations ↘ Talent attraction and retention ↘ Employee health and safety	We promote job stability and access to various benefits that contribute to their well-being. We offer a career plan within the organization under guidelines of meritocracy and good teamwork. We offer differentiated and competitive benefits as part of our strategy for compensation, attraction, retention and well-being of our employees.	↘ 7,287 employees as of 2022. ↘ Our workforce has increased by 19% compared to last year. ↘ The workplace climate surveys produce the following results: 82% commitment, 81% satisfaction, 76% climate and 76% leadership. ↘ 119 students and 23 technicians graduated as part of the ATA program. ↘ 79 students and 61 pilots who graduated and were hired from the ALAS program. 13 pilots hired from the LIFT Program during 2022. ↘ 697 internal promotions among pilots, cabin crew and others during 2022.
9 Industry innovation and infrastructure	↘ Protection of privacy ↘ Climate change risks ↘ Development of the fleet ↘ Efficiency in the processes	At Copa Airlines we guarantee the protection of the personal data of our Customers and Employees. We are constantly working on the identification, management and prevention of potential risks that may negatively impact the company, our employees, the interests of shareholders and other stakeholders. We have implemented a fleet renewal action plan incorporating aircraft with lower carbon emissions. We rely on digital tools that improve passenger experience by facilitating the interaction with the traveler and improving the efficiency of internal processes.	↘ Absence of cybersecurity incidents involving data theft. ↘ The NPS increased with respect to the previous year, reaching 36.30%. ↘ 10 electric baggage tractors purchased and received for GSE. ↘ The CO_2 reduction target per available seat kilometer (ASK) was set at 14% for 2026 compared to 2019.
10 Reduction of inequalities	↘ Freedom of association and trade union relations	As we mentioned earlier, we promote job stability and support for trade union organizations. (supplementary to SDG 8)	↘ Increase in the participation of women pilots from 9% to 11.25%; as Mechanical and Aeronautical Engineers from 7% to 8% and in senior management (VP and directors) from 19% to 24%.
11 Sustainable Cities and Communities	↘ Air connectivity	We maintain our commitment to support the social development of communities through connectivity, with a focus on supporting social causes within our area of influence and scope.	↘ We flew a total of 13,783,122 passengers during 2022. ↘ We support 31 NGOs. ↘ 17,200 people benefited with donations.
12 Responsible production and consumption	↘ Process efficiency	We maintain a strong commitment to our supply chain by making purchasing processes more efficient, conducting risk assessments and drawing up fair contracts for both parties. We are highly committed to reducing these impacts by aligning ourselves with sectoral and international commitments and initiatives pertaining to the efficient use of resources.	↘ 100% of our suppliers know the Code of Ethics. ↘ The on-board plastic reduction initiative reduced the use of 2.6 million plastics by 2022. ↘ USD$1.164 billion total spending on suppliers during 2022.
13 Climate action	↘ Climate change risks ↘ GHG emissions	We are committed to generating the lowest impact on the environment through the correct management of GHG emissions and the use of SAF. We are aligned with the global aviation effort led by ICAO, the Civil Aviation Authorities of Colombia and Panama for the implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). (supplementary to SDG 7)	↘ SAF test flight (30-70) is carried out on the LAX-PTY route without major setbacks or efficiency losses ↘ (see SDG 7)
16 Peace, justice and strong institutions	↘ Protection of privacy ↘ Governmental relations ↘ Compliance culture ↘ Economic-financial sustainability ↘ Ethics and anti-corruption	Our Code of Ethics and Business Conduct, together with the rest of the policies that delve into the topics, serve as self-regulation for our employees. We implement training to guarantee the comprehension of ethical values and business conduct, in order to prevent possible risks and strengthen the organizational culture of ethics.	↘ At the moment,100% of employees are trained in ethics and compliance. ↘ No complaints that merit a major reprimand or contract rescission measures are received during 2022. ↘ No sanctions or fines related to corruption or money laundering are received during 2022. ↘ 100% of the airline's suppliers know the Code of Ethics.

Contribution to the Global Compact Principles

We remain committed to the Principles of the Global Compact to which we have been a signatory for several years. We continue to make efforts to promote initiatives through partnerships and contribute to the sustainable development of the region.

PRINCIPLE	COMMITMENTS	ACTIONS
HUMAN RIGHTS		
1. Businesses should support and respect the protection of human rights.	We are committed to protecting, respecting and complying with the Declaration of Human Rights established by the United Nations General Assembly, in all of its operations and areas of action, in the countries where it has a presence.	↘ Copa Airlines' Code of Ethics and Conduct establishes the institution's commitment to the principles of the Global Compact. ↘ Our Ethics and Business Conduct Committee allows us to guarantee compliance with the Code of Ethics and through our Copa Escucha channel we report any infringement or breach that violates human rights. ↘ Our Compliance Program allows us to prevent the commission of crimes and the violation of laws and regulations as well as Company Policies through prevention, detection, controls, monitoring and training activities. ↘ We have a Diversity and Inclusion Policy and Committee.
2. Businesses should make sure that they are not involved in human rights abuses.	We ensure that our suppliers are not involved in actions that may violate human rights.	↘ We perform Due Diligence for Third Parties as part of our Compliance Policy, which applies to all of the supplier acquisition process evaluating unethical instances and guaranteeing respect for human rights in our supply chain.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	We are committed to complying with all the provisions that regulate the right of association or collective bargaining.	↘ Our internal working regulations and the Talent Management Policy define guidelines for supporting trade union organizations, since the latter are key actors in the negotiation and social dialogue spaces of Copa Airlines.
4. Companies should advocate for the elimination of all forms of forced or compulsory labor.	Under no circumstances do we allow forced labor, in alignment with the Code of Ethics and the different policies and programs we have defined the parameters by which the employees will provide their services to the institution.	↘ We have a Personal Integrity Policy, which regulates the elimination of all forms of forced labor and ensures optimal conditions for the development of activities for each of our employees. ↘ We also have various programs aligned with the issue, such as: ↘ Program for ergonomics and the prevention of musculoskeletal disorders. ↘ Hearing conservation program. ↘ Management program for diseases or workplace accidents. ↘ Alcohol and drug prevention program (PADA).
5. Businesses should advocate for the effective abolition of child labor.	We do not allow any type of child labor in Copa Airlines operations.	
6. Businesses should advocate for the elimination of discrimination in respect to employment and occupation.	In accordance with our values, we promote a work environment that fosters respect and promotes diversity and inclusion in our workforce and team. We forbid any act of discrimination or harassment within the daily activities of Copa Airlines.	↘ We have a Talent Management Policy that prohibits discrimination based on age, sex, ethnic group, religion, political affiliation, sexual orientation, nationality and any other form of discrimination.

PRINCIPLE	COMMITMENTS	ACTIONS
ENVIRONMENT		
7. Businesses should support a precautionary approach to environmental challenges.	We conduct our operations with a conservation approach, pursuing the preservation of natural resources and generating the lowest possible impact on the environment.	↘ Thanks to our Environmental Sustainability Policy, we conduct our operations with a conservation approach, pursuing the preservation of natural resources. ↘ We make measurements and performance audits and follow practices from the Environmental Management System.
8. Businesses should undertake initiatives to promote greater environmental responsibility.	We are highly committed to reducing our environmental impact by aligning with sectoral and international commitments and initiatives related to the reduction of our carbon footprint and the efficient use of resources.	↘ We have implemented various initiatives to mitigate our carbon footprint and reduce emissions and energy consumption: ↘ Reducing the use of the aircraft auxiliary power unit. ↘ Optimization of the flight plan in order to maximize efficiency. ↘ Incorporating state-of-the-art technologies in our fleet. ↘ Implementing the fleet renewal action plan with aircraft with lower carbon emissions. ↘ Acquisition of the Flight Plan Manager. ↘ Acquisition of electric ground support vehicles. ↘ Initiatives for the reduction of single-use plastics on board our aircraft, replacing them with biodegradable products, will begin in 2022. ↘ First flight with the use of SAF. ↘ Increasing the use of solar energy by 50 KWH per month. ↘ Weight reduction in components and catering. Use of Electronic Flight Bags to reduce our weight on board.
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	We remain at the forefront with the adoption of new technologies and the progressive incorporation of more environmentally friendly standards to ensure we improve our environmental performance.	
FIGHT AGAINST CORRUPTION		
10. Businesses should work against corruption in all its forms, including extortion and bribery.	We prohibit any act of corruption and bribery by our directors, executives, employees, representatives, business associates and third parties who perform services on behalf of the company.	↘ Our Compliance Program allows us to prevent the commission of crimes and the violation of laws and regulations as well as Company Policies through prevention, detection, controls, monitoring and training activities.

Index GRI

UNIVERSAL STANDARDS				
SECTION	**CONTENT**	**GRI DESCRIPTION**	**OMISSION**	**PAGE**
GRI 1: Fundamentals 2021				
GRI 2: General Contents 2021				
The organization and its reporting practices	GRI 2-1	Organization details		5, 8
	GRI 2-2	Entities included in the organization´s sustainability reporting		5, 8
	GRI 2-3	Reporting period, frequency and contact point		5
	GRI 2-4	Restatements of information	We did not have restatement of information	5
	GRI 2-5	External assurance	There is no external verification	5
Activities and workers	GRI 2-6	Activities, value chain and other business relationships		8, 33, 36
	GRI 2-7	Employees		50
	GRI 2-8	Workers who are not employees		50
Governance	GRI 2-9	Governance structure and composition		18
	GRI 2-10	Nomination and selection of the highest governance body		18
	GRI 2-11	Chair of the highest governance body		18
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts		18, 23
	GRI 2-13	Delegation of responsibility for managing impacts		18, 23
	GRI 2-14	Role of the highest governance body in sustainability reporting		5
	GRI 2-15	Conflicts of interest		18, 23
	GRI 2-16	Communication of critical concerns	Confidential due to internal company guidelines	
	GRI 2-17	Collective knowledge of the highest governance body		We ensure that the management team and board are prepared for industry trends and the importance of ESG issues for the business.
	GRI 2-18	Evaluation of the performance of the highest governance body		54
	GRI 2-19	Remuneration policies		19
	GRI 2-20	Process to determine remuneration		19
	GRI 2-21	Annual total compensation ratio	Confidential due to internal company guidelines.	
Strategy, policies and practices	GRI 2-22	Statement on sustainable development strategy		4, 14
	GRI 2-23	Policy commitments		28
	GRI 2-24	Embedding policy commitments		28
	GRI 2-25	Processes to remediate negative impacts		28
	GRI 2-26	Mechanisms for seeking advice and raising concerns		28
	GRI 2-27	Compliance with laws and regulations		28, 60
	GRI 2-28	Membership associations		13
Stakeholder engagement	GRI 2-29	Approach to stakeholder engagement		74
	GRI 2-30	Collective bargaining agreements		74
GRI 3: Material issues 2021				
	GRI 3-1	Process to determine material topics		76
	GRI 3-2	List of material topics		76
	GRI 3-3	Management of material topics	It is presented transversally throughout the report, as the management information on the different material topics is presented.	

Index GRI

MATERIAL TOPICS	GRI STANDARDS	GRI CONTENT	DESCRIPTION	PAGE	OMISSION
	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	70	
Economic - financial sustainability	GRI 201: ECONOMIC PERFORMANCE 2016	201-1	Direct economic value generated and distributed	70	
		201-2	Financial implications and other risks and opportunities due to climate change	25	
		201-3	Defined benefit plan obligations and other retirement plans	57	
		201-4	Financial assistance received from government	70	
Fleet development	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	10	
	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	11	
Air connectivity	GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-1	Infrastructure investments and services supported	71	
		203-2	Significant indirect economic impacts	33	
Climate change risks	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	25	
Corporate Governance	GRI 3: MATERIAL TOPICS 2021	GRI 3-2	Management of material topics	18	
	GRI 3: MATERIAL TOPICS 2021	GRI 3-2	Management of material topics	28	
	GRI 205 ANTI-CORRUPTION 2016	205-1	Operations assessed for risks related to corruption	23, 28	
Ethics and anti-corruption		205-2	Communication and training about anti-corruption policies and procedures	28	
		205-3	Confirmed incidents of corruption and actions taken	28	
	GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	28	
		GRI 3-3	Management of material topics	62	
		302-1	Energy consumption within the organization	62	
Energy efficiency	GRI 302: ENERGY 2016	302-2	Energy consumption outside of the organization		Not applicable, due to the type of COPA operation.
		302-3	Energy intensity	62	
		302-4	Reduction of energy consumption	62	
		302-5	Reductions in energy requirements of products and services	62	
		GRI 3-3	Gestión de temas materiales	61	
		305-1	Direct (Scope 1) GHG emissions	61	
		305-2	Energy indirect (Scope 2) GHG emissions	61	
GHG emissions	GRI 305: EMISSIONS 2016	305-3	Other indirect (Scope 3) GHG emissions		Not available, work is being done to include it in the report.
		305-4	GHG emissions intensity	61	
		305-5	Reduction of GHG emissions	61	
		305-6	Emissions of ozone-depleting substances (ODS)		Not available, work is being done to include it in the report.
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Not available, work is being done to include it in the report.
	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	62	
		306-1	Waste generation and significant waste-related impacts	62	
		306-2	Management of significant waste-related impacts	62	
Process efficiency	GRI 306: WASTE 2020	306-3	Waste generated		Not available, work is being done to include it in the report.
		306-4	Waste diverted from disposal	62	
		306-5	Waste directed to disposal		Not available, work is being done to include it in the report.

MATERIAL TOPICS	GRI STANDARDS	GRI CONTENT	DESCRIPTION	PAGE	OMISSION
Government relationship	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	71	
Culture of compliance	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	28	
	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	45	
		403-1	Occupational health and safety management system	45	
		403-2	Hazard identification, risk assessment, and incident investigation	45	
		403-3	Occupational health services	45	
		403-4	Worker participation, consultation, and communication on occupational health and safety	45	
Employee health and safety	GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-5	Worker training on occupational health and safety	45	
		403-6	Promotion of worker health	45	
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	45	
		403-8	Workers covered by an occupational health and safety management system	45	
		403-9	Work-related injuries	45	
		403-10	Work-related ill health	45	
	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	52	
		401-1	New employee hires and employee turnover	52	
	GRI 401: EMPLOYMENT 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	57	
		401-3	Parental leave		Not available, work is being done to include it in the report.
Attraction and retention of talent		404-1	Average hours of training per year per employee		Not available, work is being done to include it in the report.
	GRI 404: TRAINING AND EDUCATION 2016		Programs for upgrading employee skills and transition assistance programs	53	
		404-3	Percentage of employees receiving regular performance and career development reviews	54	
		405-1	Diversity of governance bodies and employees	55	
	GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-2	Ratio of basic salary and remuneration of women to men		Not available, work is being done to include it in the report.
	GRI 406: NON-DISCRIMINATION 2016	406-1	Incidents of discrimination and corrective actions taken	55	
	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	50	
Freedom of association and union relations	GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	50	
	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	41	
Air and ground safety	GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1	Assessment of the health and safety impacts of product and service categories	41	
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	41	
Customer experience	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	35	
Data privacy protection and cybersecurity	GRI 3: MATERIAL TOPICS 2021	GRI 3-4	Management of material topics	38	
	GRI 418: CUSTOMER PRIVACY 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	38	

SASB table of parameters

SECTOR	TOPIC	CODE	DESCRIPTION	PAGE	OMISSION
AIRLINES	Activity Metrics	TR-AL-000.A	Available seat kilometers (ASK)	11, 70	
	Activity Metrics	TR-AL-000.B	Passenger load factor	11, 70	
	Activity Metrics	TR-AL-000.C	Revenue passenger kilometers (RPK)	11, 70	
	Activity Metrics	TR-AL-000.D	Revenue ton kilometers (RTK)		Not available
	Activity Metrics	TR-AL-000.E	Number of departures	11	
	Activity Metrics	TR-AL-000.F	Average age of fleet	10	
	Greenhouse Gas Emissions	TR-AL-110a.1	Gross global Scope 1 emissions	61	
		TR-AL-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	61	
		TR-AL-110a.3	(1) Total fuel consumed, (2) percentage alternative, (3) percentage sustainable	61	
	Labor Practices	TR-AL-310a.1	Percentage of active workforce covered under collective bargaining agreements	50	
		TR-AL-310a.2	(1) Number of work stoppages and (2) total days idle		Not available
	Competitive Behavior	TR-AL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	28	
	Accident & Safety Management	TR-AL-540a.1	Description of implementation and outcomes of a Safety Management System	41	
		TR-AL-540a.2	Number of aviation accidents	41	
		TR-AL-540a.3	Number of governmental enforcement actions of aviation safety regulations	41	

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