



A STAR ALLIANCE MEMBER 

Sustainability

Report



2021



A STAR ALLIANCE MEMBER 

SUSTAINABILITY REPORT
COPA AIRLINES
© 2021

Editing of texts and application of international standards:
VALORA Consultores.

Photographs:
The photographs that appear in the report are the property of Copa Airlines.

Contents



	Message from the CEO	4
	How to read this report	5
	Milestones 2021	6
1	Who are we?	7
2	Commitment to sustainability	16
3	Corporate governance	20
4	Risk management	25
5	Ethics and compliance culture	30

6	Responsible supply chain	36
7	Customer experience	38
8	Employees	44
9	Creation of social value	54
10	Creation of environmental value	56
11	Economic performance	61
	Outlook for 2022	65

Annexes



69

A1	Annex I: Detail on ESG management	
a.	Relationship with Stakeholders (S)	70
b.	Contribution to the SDGs	71
c.	Contribution to The Ten Principles of the UN Global Compact	73
A2	Annex II: Reporting frameworks	
a.	GRI table of contents	74
b.	SASB table of parameters	76



Message

from

the

CEO



(GRI 2-22)

Dear reader,

At Copa Airlines, we closed the year 2021 with important achievements and still facing challenges in the recovery of our Company, this being the second year affected by the COVID-19 pandemic, the worst crisis in our history.

I will start by thanking the work and commitment of our more than **6,600 employees**, as well as the permanent trust of our passengers and customers who make Copa Airlines a reliable airline that seeks to fly higher and higher.

During the year 2021, Copa Airlines reached 85% of its operation in the month of December, compared to the 45%-50% that we had estimated at the beginning of the year for this period. In addition, in the midst of the recovery, **we opened 3 new destinations**: Cúcuta, Armenia and Atlanta, **ending the year with 70 destinations** that allow us to continue strengthening the Hub of the Americas.

With great satisfaction, this allowed us to reactivate 100% of the people on leave and rehire more than 800 people, fulfilling our promise of 2020 and bringing so many colleagues back to Copa.

As for the fleet in 2021, we ended with 80 aircraft, returned 22 aircraft from the desert --much earlier than expected, and we received 6 737-MAX, which will allow us to re-establish our position as the Leading Airline in Latin America.

In addition, in 2021 we closed with a **punctuality of 91.1%**, one of Copa's best results in years, and undoubtedly one of the highest in the industry. I am also proud to mention that for the eighth consecutive year we received the Cirum award for being the most punctual Airline in Latin America, thus reaffirming our commitment to the customer experience **on more than 44 thousand flights operated this year**.

Additionally, we are strengthening our Company with new technologies and processes, which will allow us to provide a better shopping experience to our passengers through copaaair.com and service to our passengers throughout their travel experience.

However, in light of what we experienced due to the pandemic and the global health crisis that has impacted the global economy, we know that we should not let our guard down. If we have learned anything, it is that we must remain open to change and adversity which can present itself both locally and globally.

Regarding our commitment to sustainability, we have updated our materiality study allowing us to identify our environmental, social and good corporate governance priorities which go hand in hand with the 3 axes of our sustainability strategy: professional well-being and growth, integral development of communities and environmental conservation.

We are also committed to contributing to the 10 Principles of the Global Compact, and to those Sustainable Development Goals (SDGs) in which we can make a difference, due to our type of activity and the situation of the context in which we operate.

➤ In environmental matters, we remain aligned with the global aviation effort led by ICAO and the Civil Aviation Authorities of Colombia and Panama with the implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). Therefore, we have an ongoing series of initiatives aimed at carbon neutrality, one of the main ones being the transition to SAF fuel use, which, in partnership with Boeing, **we acquired 39 thousand liters of SAF**, during 2022. Together with seven other airlines, we totaled 100,000 gallons of SAF mixture for commercial flights

departing from LAX, reducing emissions by 472,500 pounds (214,300 kilos) of CO₂.

➤ On the other hand, our social commitment is getting stronger and we know the responsibility we have towards the well-being of not only our employees and their families, but also the communities where we have an influence. So for 2022, we reactivated our activities with the community which had been paused while we were coming out of the health crisis.

➤ Likewise, I can note that our organizational culture is strengthened every day through the values that distinguish us, fostering respect that promotes diversity and inclusion in our workforce and work team. So we voluntarily joined the International Air Transport Association's (IATA) Commitment 25by2025, a campaign that seeks to promote gender diversity in the aeronautics industry.

Even with the uncertainty that exists in the market, we remain faithful to our purpose of uniting America. Our flights shorten distances and connect the entire continent; we make it easier for families to remain united, for people to enjoy the wonders of our region, for communities to grow and develop, for businesses and professionals to prosper and human beings to benefit, offering the highest levels of service and the best punctuality in the world.

With the Route to Success that we set for the year 2022, we are looking to keep flying high and reaching farther and farther. In this report you will be able to view our performance during 2021 and some of the main advances of 2022 in this matter, a sign of the commitment we have as a Company with our stakeholders and with our environment.

Pedro Heilbron

CEO



How

to read this

report

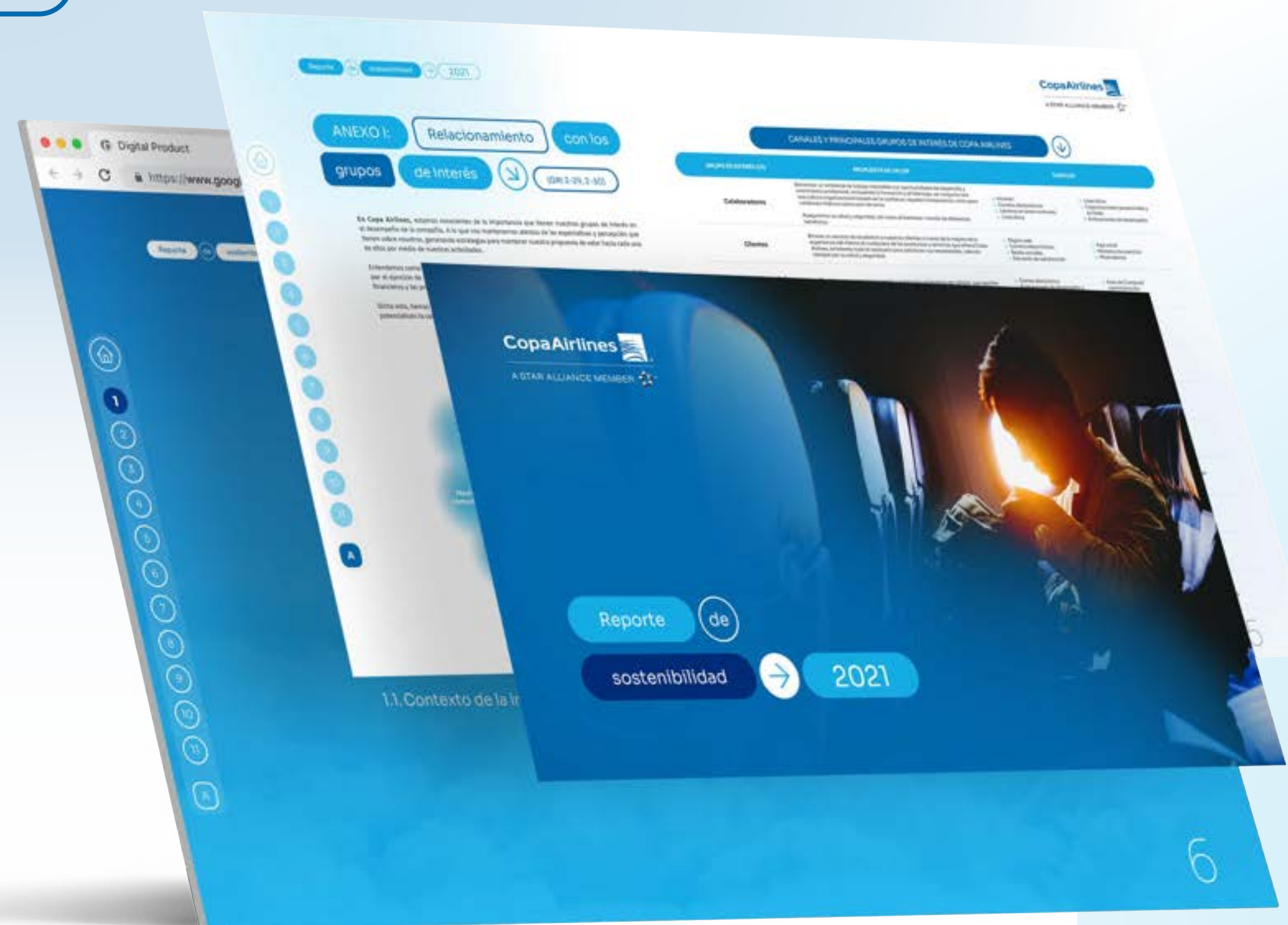
(GRI 2-1, 2-2, 2-3, 2-4, 2-5, 2-14)

At Copa Airlines¹, in addition to providing all our passengers with a world-class service, the best punctuality in the region and the greatest connectivity through the Hub of the Americas, we are also aware of the impact that our operation has on our environment and stakeholders, so through this report, we are sharing our path towards sustainable development and objectively presenting our environmental, social and corporate governance (ESG) performance during 2021.

For the first time, and with the help of an external consulting company, we have prepared this report in accordance with the Standards of the *Global Reporting Initiative* (GRI), under its last updated version in October 2021. We are also incorporating the Sustainability Accounting Standards Board (SASB) Standards, for the Transport sector in the Airline and Air Cargo and Logistics industries.

That said, we remain current and aligned to the global trends that govern these issues.

Finally, this report goes through internal validations involving the CSR Coordination of Copa Airlines, as well as each of the areas providing information for its preparation and the management team, which includes the validation of our CEO. Does not have external verification.



Keys to the report

- It has been prepared in compliance with the Standards of the *Global Reporting Initiative* (GRI), a reference methodology for communicating the extra-financial performance with a multistakeholder approach. Reporting the latest updated GRI Standards related to the material issues.
- We incorporated the *Sustainability Accounting Standards Board* (SASB) Standards, for the industries of: Airlines and Air Cargo and Logistics. The methodology responds to investors' information requirements on ESG issues that affect the company's financial stability.
- The contribution of Copa Airlines to the *Sustainable Development Goals* (SDGs), a global roadmap proposed by the UN to address the great challenges of society, is also reported.
- As members of the Global Compact, we are reporting on progress and commitment to its 10 Principles.

How to identify the contents:

At the beginning of each chapter:

- Reference to the SDGs.

At the beginning of each section:

- Reference to the contents of the GRI Standards, and the metrics of the SASB Standards.

In the Annexes:

- GRI, SASB, SDGs and Global Compact indices.

Milestones 2021

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A



Operational and financial

- At the end of 2021, we operated at **88%** of the capacity we had in December 2019. We are maintaining our post-pandemic growth.
- We offer approximately **204 daily scheduled flights** between 69 destinations in 29 countries in North, Central and South America and the Caribbean.
- We operate a **fleet of 91 aircraft**.
- Passenger revenue accounted for approximately **\$1.4 billion USD**.
- Copa's Cargo business generated revenue of approximately **\$71.6 million USD**.



Customer experience

- **44,126 flights operated in the year**.
- We achieved an **NPS of 35.4%**.
- We had no **significant security impacts** affecting our customer experience.
- **78.6%** of the seat **occupancy rate**.
- **40%** of sales on **digital channels**.



Employees

- **+6,620 employees**
- **36.4%** of the workforce is represented by **women**.
- **+100 female pilots**.
- We offer more than **600 training programs** and **modules to employees** through the **Copa Academy**.



Environment

- We operated the **first flight with SAF** (sustainable aviation fuel).
- In partnership with Boeing, we acquired **39,000 l of SAF**.
- The fleet modernization and efficient fuel use program prevented emissions into the atmosphere of an estimated **3,372 tons of CO₂**.
- **400 kW solar power generation** project.
- We managed to avoid the emission of more than **33,000 tons of CO₂**, recycling about **41 tons** of materials.

- Home
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Who are we?

- Timeline
- Our vision
- Our purpose
- Our Values in Action
- Main Strengths
- Our strategy
- Our subsidiaries
- Our fleet
- Our Network
- Context of our sector
- Trends in the aviation sector
- Partnerships

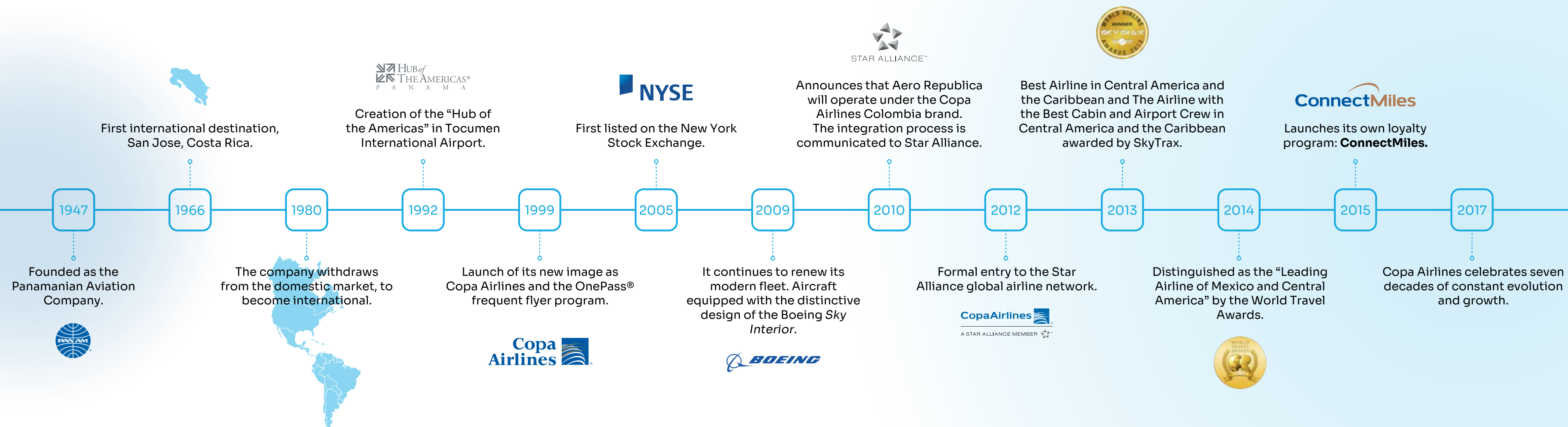
Who are we? (GRI 2-1, 2-2, 2-6, 2-28, 3-3)

At **Copa Airlines**, we are dedicated to connecting destinations, people and stories. During 2021, we maintained our strength to fly farther and farther regardless of adversities, we bet on the resilience and solidity of the company to successfully face situations such as the COVID-19 pandemic, which has significantly impacted our sector.

Since our beginnings in 1947 we have maintained the commitment to connect passengers/customers reliably with their destinations, providing them with the highest levels of quality in our products and services.



Timeline



NUESTRA VISIÓN SER LA AEROLÍNEA LÍDER EN LA AVIACIÓN LATINO AMERICANA Y LA CONEXIÓN PREFERIDA A TRAVÉS DE PANAMÁ AL UNIR LAS PRINCIPALES CIUDADES DEL NORTE SUR CENTRO AMÉRICA Y EL CARIBE

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

At **Copa Airlines** we contribute to uniting America. Our flights shorten distances and connect the entire continent. Through dedication and commitment, we make it easier for families to remain united, for people to enjoy the wonders of our region, for communities to grow and develop, for businesses and professionals to prosper and for human beings to benefit.

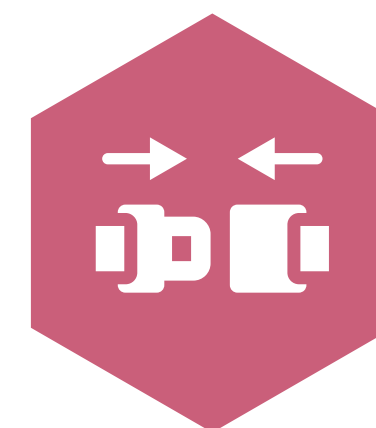
We achieve all this with the best team in Panama and Latin America, who every day proves that through their perspective, commitment and dedication it is possible to achieve all our goals and make Panama and Latin America proud before the world.



We have **5 values** that guide and inspire our actions, and they 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**



- 
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Main

strengths



Our main commercial strengths have allowed us to earn an exclusive position within the industry in which we operate, where we can highlight the following:



Our airport ‘Hub of the Americas’ is strategically located.



We’re focused on maintaining our operational costs low.



We operate a modern fleet.



We believe Copa has a solid brand and a reputation based on quality service.



Our organization fosters a culture of team work and continuous improvement.



1

2

3

4

5

6

7

8

9

10

11

A

Our

strategy

↓

Our main goal is ensuring continuous growth in a profitable way, which allows us to improve our position as a leader in Latin American aviation by providing superior service to our customers, convenient schedules, competitive rates and maintaining competitive costs.

The key elements of our business strategy include the following:



Business

model

↓

4 Fundamentals



Our

subsidiaries

↓

Through our two main operating subsidiaries, Copa Airlines and AeroRepública, we have become a leading provider of passenger and cargo air services in Latin America.

CopaAirlines

A STAR ALLIANCE MEMBER

Copa Airlines
Operating from its strategically located position in the Republic of Panama.

CopaAirlines Colombia

AeroRepública
Operating flights from Colombia to Copa Airlines' Hub of the Americas in Panama, and Wingo, a low-cost business model within Colombia and several cities in the region.

Our

fleet

↓

As of December 31, 2021, we have operated a fleet of 91 aircraft, 77 Boeing 737-Next Generation aircraft and 14 Boeing 737 MAX 9 aircraft to meet our current capacity requirements.

Noting the development of new technologies, as well as the modernization and investment in a new fleet, we decided to renew our aircraft. That is why we have agreed to increase our fleet, which involves 66 firm orders for Boeing 737 MAX aircraft, agreed to be delivered between 2022 and 2028.



Context of

our sector

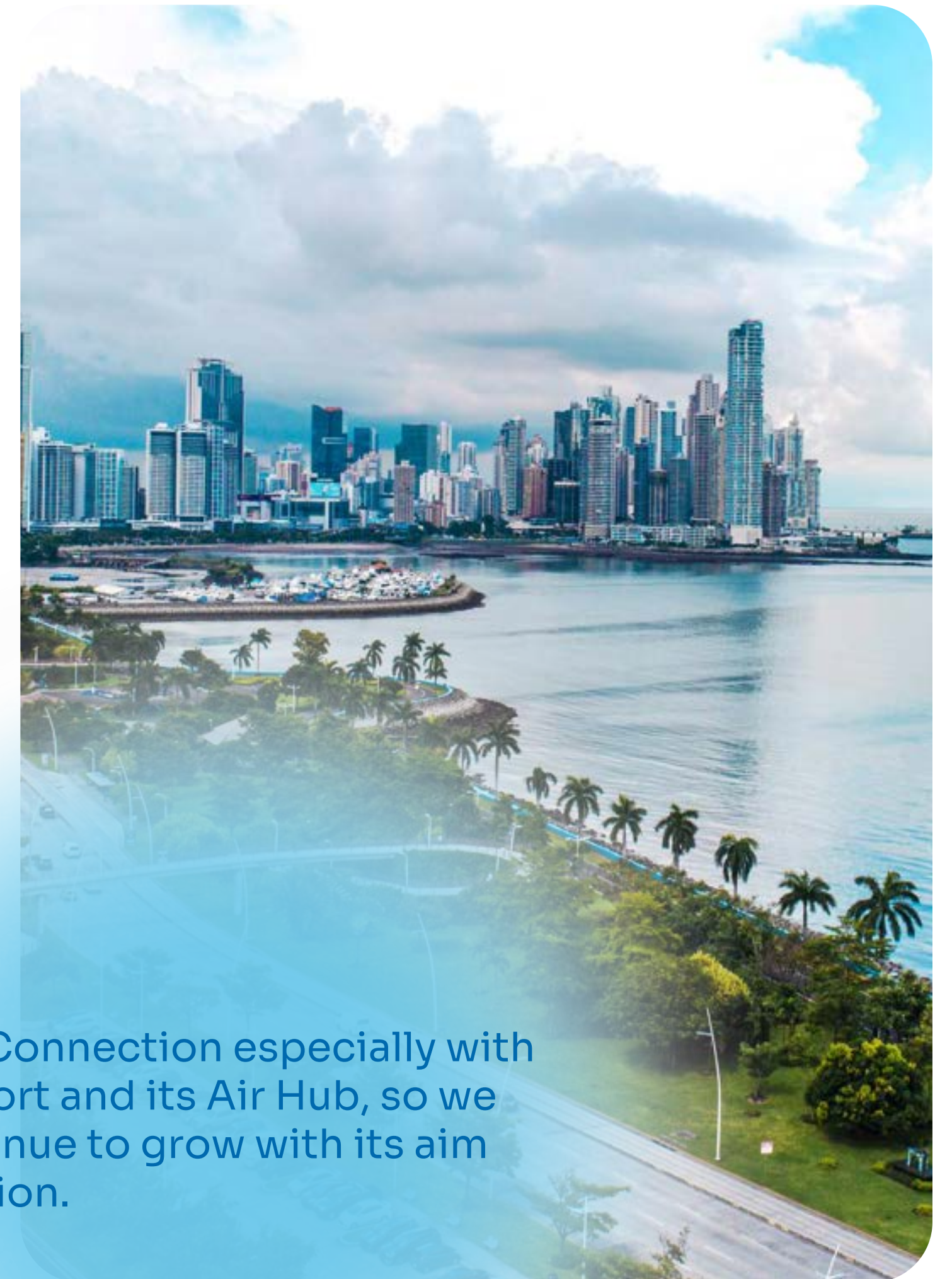
Copa Airlines' operations are directly related to the evolution of the Panamanian economy and its social development, so the company attends to the evolution from a preventive approach that safeguards operations through the analysis of the context in which it is developed.

According to the study "The Economic Benefits of Air Transport in Panama" prepared by the Oxford Economics firm under the auspices of IATA, this industry generates 260 thousand direct and indirect jobs and 7.3 billion dollars of value added to the Gross Domestic Product (GDP) of Panama. Aviation contributes with 14.8% of Panama's GDP, a figure that represents the highest percentage contribution of aviation in the Americas; in addition, it shows that foreign tourists spent US\$ 3.4 billion in Panama in restaurants, hotels, suppliers, among other services.

Our network

Copa currently offers approximately 204 daily scheduled flights between 69 destinations in 29 countries in North, Central and South America and in the Caribbean from its hub in Panama City. Copa offers flights to more than 150 destinations through codeshare agreements with UAL and other airlines. Through its hub in Panama City, Copa is able to consolidate passenger traffic from multiple points to serve each destination effectively.

Panama has become the Great Connection especially with the expansion of Tocumen Airport and its Air Hub, so we hope that the industry will continue to grow with its aim at promoting tourism in the region.



Trends in the aviation sector



- The COVID-19 pandemic divided the air transport industry into three opposing realities:
- First, cargo transportation has played a transcendental role and the volumes transported by air at a global level have gained ground with respect to the volumes before the crisis. This evidences the vital role of air cargo in the transportation of medical equipment, PPE and life-saving vaccines, along with electronic commerce deliveries during the periods of generalized restrictions.
 - Secondly, the domestic passenger markets have recovered 20% of pre-crisis levels, proving that travelers are gradually regaining confidence and their appetite for flying.
 - And finally, international travel, which, however, stands at barely a quarter of the levels of 2019. The demand will not recover as borders need to reopen and government-imposed travel restrictions be lifted.

The International Air Transport Association (IATA) forecasts that the total number of travelers will reach 4 billion in 2024 (counting multisectoral connection trips as a single passenger), surpassing the levels before the COVID-19 crisis (103% of the total in 2019).

Although the outlook is encouraging and it is expected to continue this way throughout this year, we are experiencing realities that directly and indirectly impact the sector, such as political-economic aspects, inflation, the conflict in Ukraine or the high energy cost among others; this forces airlines to rethink the future of the sector in order to generate a more resilient, sustainable ecosystem with a more comprehensive and multimodal offer, and adjust to the new preferences of the post-Covid traveler.

As far as the environmental scope is concerned, the process of decarbonization is an imperative for a sector that has been one of the fastest growing sources of greenhouse gas emissions. Therefore, the regulation to reduce or limit polluting emissions and the increased awareness of travelers about the environmental impact of air transport will play a decisive role in the future of this industry.



INDUSTRY TRENDS - STRATEGIC RESPONSE FROM COPA AIRLINES

TRENDS IN THE SECTOR

RESPONSE FROM COPA AIRLINES

On the other hand, improving the user experience also implies relying on digital tools that enable such a model, facilitating interaction with the traveler and improving the efficiency of internal processes.

Finally, the aviation industry must be able to balance financial recovery with investment needs - mainly in sustainability and digitalization – throughout its transformation process. Airlines will be able to regain positive results from the 2023 financial year, reaching pre-pandemic levels from 2026, although if additional measures are not taken, the levels of indebtedness caused by the crisis will be prolonged beyond 2030.

Below, we present the main initiatives and how we are working from Copa Airlines in this regard in our operations and in the various subsidiaries:

Process digitalization and remote services	➤ In 2021 we achieved the implementation of Copa Academy, a modern corporate training platform, designed to develop the skills of our employees through continuous and digital training and learning. ➤ We made improvements to copa.com which is the starting point where our customers initiate their shopping and travel experience in order to provide greater security, ease of use and flexibility which helps customers to easily meet their requirements. Some of the benefits for our customers is to provide them with better advanced search options in the purchase process; self-service for flight changes, cancellations and refunds. ➤ We also replaced our website for reservations or booking engine for mileage redemptions, migrating to our own platform. In addition, we continue to make improvements in our passenger notifications and in the service of our call center. ➤ Through NDC, Copa Airlines will provide a modern, reliable and content-rich channel that will differentiate the product and service offerings that our partner travel agencies can offer to our customers.
Digital means of payment	➤ The new Copa Connect distribution platform will be implemented by September 2022, which will help us unify the booking and use system by agencies. ➤ It will allow the analysis of data such as sales reports and passenger profiles. This will allow us to streamline processes in addition to more easily identifying the type of customer and sale that will help us improve the travel experience from start to finish. ➤ We offer applications for online changes, purchase of tickets with miles, seat selection and purchase of baggage. ➤ During this period we executed 40% of the sales through digital channels and 65% of the check-in online.
Integration of the travel journey	➤ At Copa Airlines we fly in accordance to our purpose of connecting people and regions, we focus on providing the best experience during the various stages of our customers' travel, strengthening our services at all points of contact: from the purchase of your ticket and arrangements for your trip, during your experience at the airports and on board, and especially recovering our service during irregular situations.
Investing in sustainability and digitalization	➤ We are committed to the Zero Carbon initiative by 2050, focused on our investment in technological innovation and process efficiency. ➤ We are implementing a medium-term project, starting the transition from our diesel tractors to electric tractors. To do this, we conducted a careful assessment in order to choose the appropriate technology, which is based on a lithium battery. The first stage consists of the purchase of 10 electric tractors (estimated to help reduce approximately 157 tCO2e per year) to test the technology and find out if they meet the operational needs. If its efficiency is proved, we plan to migrate the entire tractor fleet to this technology. This change is expected to generate savings in fuel and maintenance, in addition to reducing greenhouse gas emissions. ➤ As part of our social branch, we have the Despega Foundation, with which conduct out volunteer activities and donations, so during this year we were able to execute initiatives and provide impactful support, such as: 304 Beneficiaries of flight tickets for humanitarian causes and the relaunch of the Panama Stopover program to reactivate tourism in Panama.
Improvement of the experience of the various customer segments	➤ We have the NDC (New Distribution Capability) Level 4 Certification, under the NDC Certification program, granted by the International Air Transport Association (IATA). This technological standard was developed by airlines together with IATA with the aim of modernizing airline distribution. The NDC standard enables direct and robust communication between airlines and travel agencies, and allows airlines to offer dynamic and personalized products and prices in real time. The NDC Level 4 certification proves that Copa Airlines uses complete Offer and Order management messages according to the standard. ➤ Through NDC, Copa Airlines will provide a modern, reliable and content-rich channel that will differentiate the product and service offerings that our partner travel agencies can offer to our customers.
Modern fleet	➤ Taking into account the development of new technologies, as well as the modernization and investment in a new fleet, we decided to renew our aircraft. That is why we have agreed to increase our fleet, which involves 66 firm orders for Boeing 737 MAX aircraft, agreed to be delivered between 2022 and 2028.
CO ₂ emission offsetting for passengers	➤ We stress that we covered 98.25% of the commitments acquired through the Environmental Adequacy and Management Program (PAMA), which was presented to the National Environmental Authority (ANAM) in 2008. These commitments relate to the efficient use of resources and emissions management for a clean operation and the relevant monitoring plans. ➤ At Copa Airlines we are aligned with the global aviation effort led by the ICAO and the Civil Aviation Authorities of Colombia and Panama with the implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).
Use of Sustainable Fuel	➤ One of our pillars of environmental sustainability is the use of SAF, and during this year we carried out several initiatives that helped to develop actions in relation to the issue, which we highlight as follows: ➤ We operated the first flight with SAF (sustainable aviation fuel). ➤ We were part of an aviation industry initiative led by IATA and Boeing, to use SAF or sustainable aviation fuel on selected flights from LAX to coincide with the IX Summit of the Americas, demonstrating our commitment to carbon neutrality by 2050. ➤ In partnership with Boeing, we purchased 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). ➤ Together with seven other airlines, we totaled 100,000 gallons of SAF blend for commercial flights departing from LAX, reducing emissions by 472,500 pounds (214,300 kilos) of CO₂. ➤ We have a fleet modernization and efficient fuel use program, which allows us to search for better routes for flight approaches and avoids the emission into the atmosphere of an estimated 3,372 tons of CO₂.
Utensils made of compostable or recycled materials	➤ During this last year we have been looking for eco-efficient and environmentally friendly solutions. Little by little, we have developed various initiatives such as the replacement of plastic stirrers with bamboo stirrers, changing the amenity kits handed to business class passengers which are provided without plastic wrap, with biodegradable products and come in bags made from recycled plastic bottles, and the replacement of plastic cups with recyclable cups that together will be replacing more than 1.3 million plastic units per year.



Partnerships



We take care every day to offer a better service. Together with our strategic partners we work to provide the highest quality and convenience in the travel experience.

Star Alliance

Since 2012 we have been a member of the most important global airline network in terms of daily flights, destinations and countries it flies to, as well as number of member airlines of the alliance. Founded in 1997 as the first truly global airline alliance, it offers its customers from all over the world many destinations and an excellent travel experience.

We have a strategic partnership with **United Airlines**, or “UAL” or “United”, which encompasses a joint marketing strategy and code-sharing agreements, among other things.

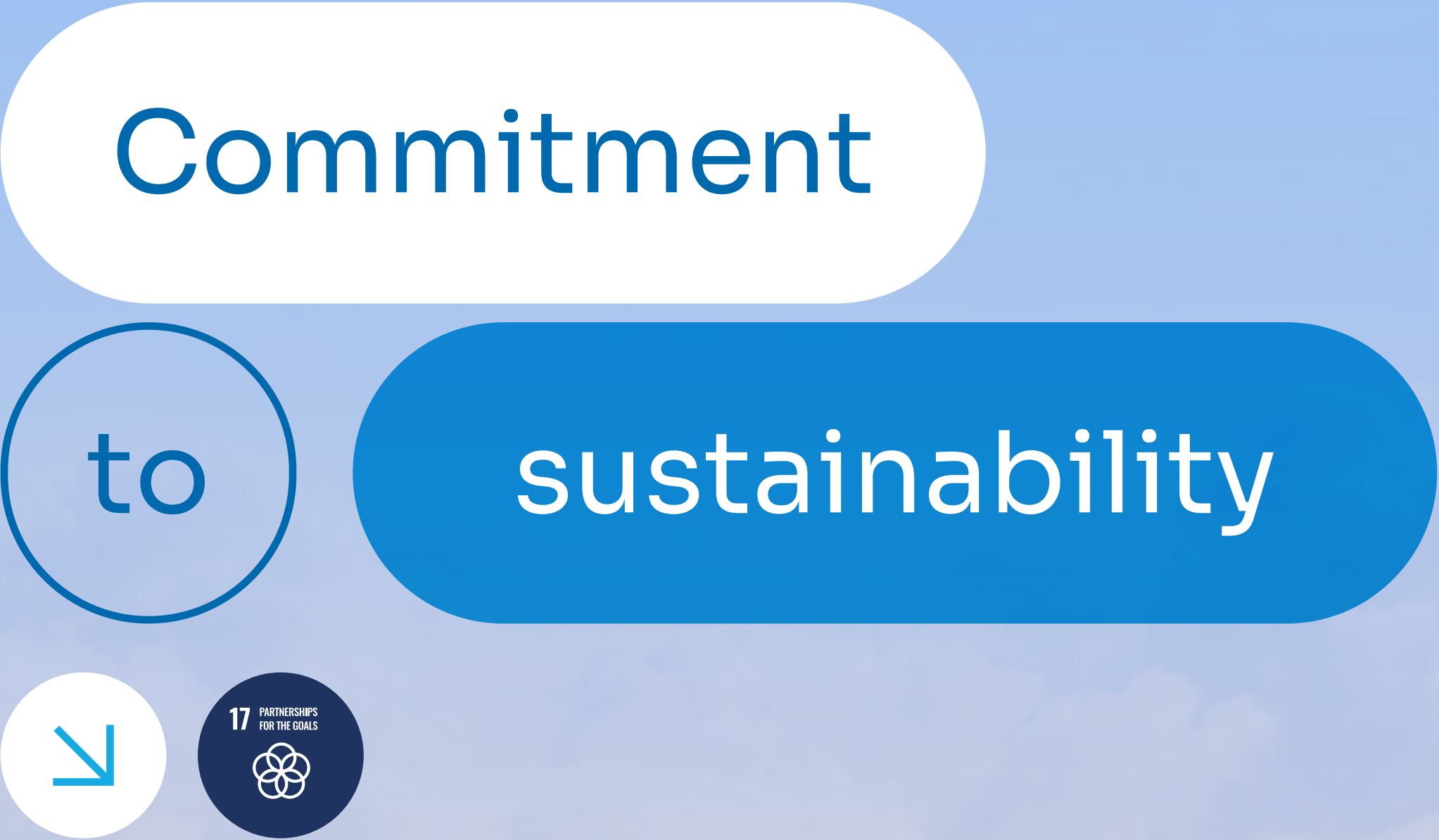
A STAR ALLIANCE MEMBER



Members



- 
- 1
- 2**
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A



Commitment

to

sustainability



(GRI 3-1, 3-2)

At Copa Airlines we have 3 axes or pillars within our sustainability strategy focused on maintaining healthy relationships with our stakeholders and remedying the impacts derived from the company's operations. As well as to promote those that generate a benefit in the societies where we are present.



Due to the recent events that humanity has been experiencing in terms of health and humanitarian crises that impact markets globally, at Copa Airlines we have worked on updating our materiality study conducted in 2019, which aims to identify the issues that have the greatest relevance for the company and operations in environmental, social and corporate governance (ESG) matters.

We can note that, for the first time, we have conducted this study under the concept of **double materiality**, where the materiality of socio-environmental impact and financial materiality coexist.



Impact materiality

It reflects the **most significant** impacts of the company towards the economy, the environment and people; these impacts can have positive or negative consequences for the company (on the operation, reputation and financially).

For the development of this update, we reinforced the topics that were launched for consultation in the materiality of 2019 and complemented it with topics derived from the health crisis we experienced due to COVID-19 and its impacts on the sector; additionally, we rely on references in ESG issues management, as well as trends in the airport sector.

Subsequently, the topics were **prioritized** by the internal representatives of our main stakeholder groups (employees, customers, airports, authorities, community, shareholders and suppliers) through an on-line survey as well as a working session with senior management of the company to know the internal perspective on these issues.



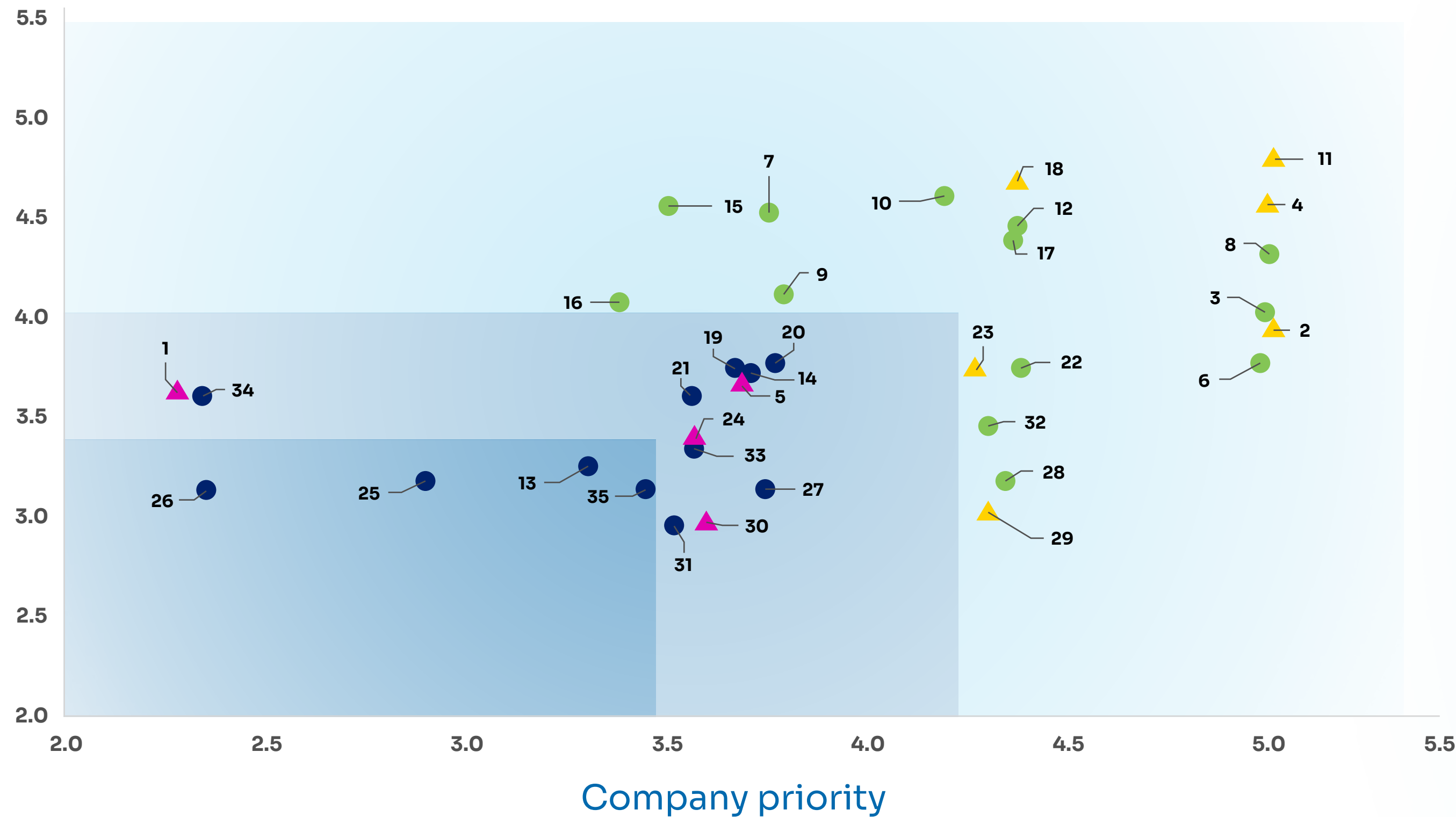
Financial materiality

It reflects the **ESG factors** that could have a reasonable probability of affecting the financial conditions, operating performance and cash flows within the company. It is a materiality that responds to the concerns of investors.

Given the analysis and consultation process already conducted by *Sustainability Accounting Standards Board (SASB)* at the international level, for the development of the standards by industry, we applied the topics that the initiative establishes for our activities: Airlines and Air Cargo and logistics.

Below we present our updated matrix.

Stakeholder perspective



● Impact materiality

▲ Financial materiality

▲ Impact and financial materiality

MATERIALITY TYPE	MATERIAL ISSUES (17)
▲	11 Air and ground safety
▲	4 Compliance culture
●	8 Economic and financial sustainability
▲	18 Health and safety of employees
●	3 Corporate governance
▲	2 Ethics and anti-corruption
●	12 Customer experience
●	10 Fleet development
●	17 Air connectivity
●	6 Efficiency in our processes
●	7 Government relationship
●	22 Attracting and retaining (NEW) talent
●	15 Protection of (consumer and data) privacy (cybersecurity)
▲	23 Freedom of association and trade union relations
●	32 Climate change (transitional) risks (regulation, market, technology)
●	28 Energy efficiency
▲	29 GHG emissions

MATERIALITY TYPE	POTENTIALLY MATERIAL 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 the ground operation
▲	30 Cleaner Energies: Biofuel
▲	24 ESG assessment of suppliers (responsible purchasing)
	31 Climate change risks (physical) (climate)
	34 Social investment: other topics
▲	1 Supplier development

MATERIALITY TYPE	NON-MATERIAL ISSUES
	35 Support in disasters
	13 Marketing and communication
	25 Noise management
	26 Materials and waste on board (circularity)

Those marked in **green** correspond to material issues only for impact materiality.

Those marked in **yellow** are material both for the impact exercise and for financial materiality.

Those marked in **pink** are material for financial materiality.

Finally, we related those topics that came out as material with the Sustainable Development Goals (SDGs) of the United Nations. This helps us to prioritize our contribution to them.

To learn about our contribution to the SDGs, please refer to the relevant Annex within this report.

→ Annex

- Home
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Corporate

Governance



- Shareholders
- Board of Directors
- Audit Committee
- Compensation Committee
- Committee of Independent Directors
- Executive Team

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)

We align our Corporate Governance to the best international practices, and we continue to guarantee integrity and experience in the governing bodies that rule us as a company. Thus, allowing us to guarantee decision-making aimed at generating value for all stakeholders.

That said, we operate under the regulatory framework and good practices of the New York Stock Exchange, the Articles of Incorporation of the Company, as well as the United States Securities and Exchange Commission (SEC) and the Superintendency of the Securities Market (SMV) of Panama.

NYSE requires corporations with shares listed on the exchange to comply with certain corporate governance standards. As a foreign private issuer, we are required to comply with certain NYSE rules related to audit committees and periodic certifications.

We seek to maintain business continuity and the certainty of our economic performance and organizational resilience under a well-developed structure that permeates throughout the company and our subsidiaries.



Shareholders



With respect to the identification of risks, we have mapped those that we consider priority for the organization. We break them down as follows:

Class A

The holders of the Class A shares do not have the right to vote at our shareholders' meetings, except in relation to specific matters.

Class B

Every holder of Class B shares is entitled to one vote per share in all matters in which shareholders have the right to vote.

Class C

Class C shares have no economic value and are not transferable except to Class B holders, they have the voting rights that the Committee of Independent Directors deems necessary to ensure effective control of the Company by Panamanians.

The annual ordinary shareholders' meeting is the corporate body that elects the Board of Directors, approves the annual financial statements of Copa Holdings and approves any other matter that does not require an extraordinary shareholders' meeting. It meets annually within the first five months of each fiscal year.

Shareholders representing at least 5% of the issued and outstanding ordinary shares with voting rights may submit proposals to be included in said meeting, provided that the proposal be submitted at least 45 days before the meeting.



Board of

Directors



Our Board of Directors has the responsibility of supervising and controlling the plans and actions executed by the various areas of the company, based on ethics, compliance and transparency guidelines.

It is currently composed of eleven members, including two directors who meet the standards of independence under the rules of the New York Stock Exchange (NYSE). Our board members serve two-year terms and are eligible for re-election.

Stanley Motta

Chairman and Director

Pedro Heilbron

Chief Executive Officer and Director

Álvaro Heilbron

Director

Jaime Arias

Director

Makelin Arias

Director

Carlos Alberto Motta

Director

John Gebo

Director

Andrew C. Levy

Director

José Castañeda Vélez

Independent Director

Josh Connor

Independent Director

Julianne Canavaggio

Independent Director

The Board of Directors is supported by four committees responsible for the evaluation and monitoring of the areas and activities of greatest relevance to the organization.



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Audit Committee ↘

The **main function** of the Audit Committee is to assist the Board of Directors in fulfilling its supervisory responsibilities by reviewing:

- the integrity of reports and other financial information available to the public or to any regulatory or governmental body;
- the efficacy of our internal financial control and risk management systems, including cybersecurity and privacy risks, and the Company's procedures and policies for assessing and managing such risks;
- the efficacy of our internal audit function and the independent audit process, including the appointment, retention, compensation and oversight of the independent auditor; and
- compliance with laws and regulations, as well as policies and codes of ethics established by the administration and the Board of Directors.

The Audit Committee is also responsible for implementing procedures for receiving, retaining and dealing with complaints about accounting, internal control and audit matters, including the submission of confidential and anonymous complaints about questionable accounting, ethical or audit matters.

Josh Connor

Independent Chair

José Castañeda
Julianne Canavaggio

Independent members



Compensation Committee ↓

The **Committee responsible** for the CEO selection process and the evaluation of all executive directors (including the CEO), recommending the level of compensation and any associated bonuses.

Stanley Motta

Chair

Jaime Arias

Member

José Castañeda

Independent member





- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Committee of Independent Directors

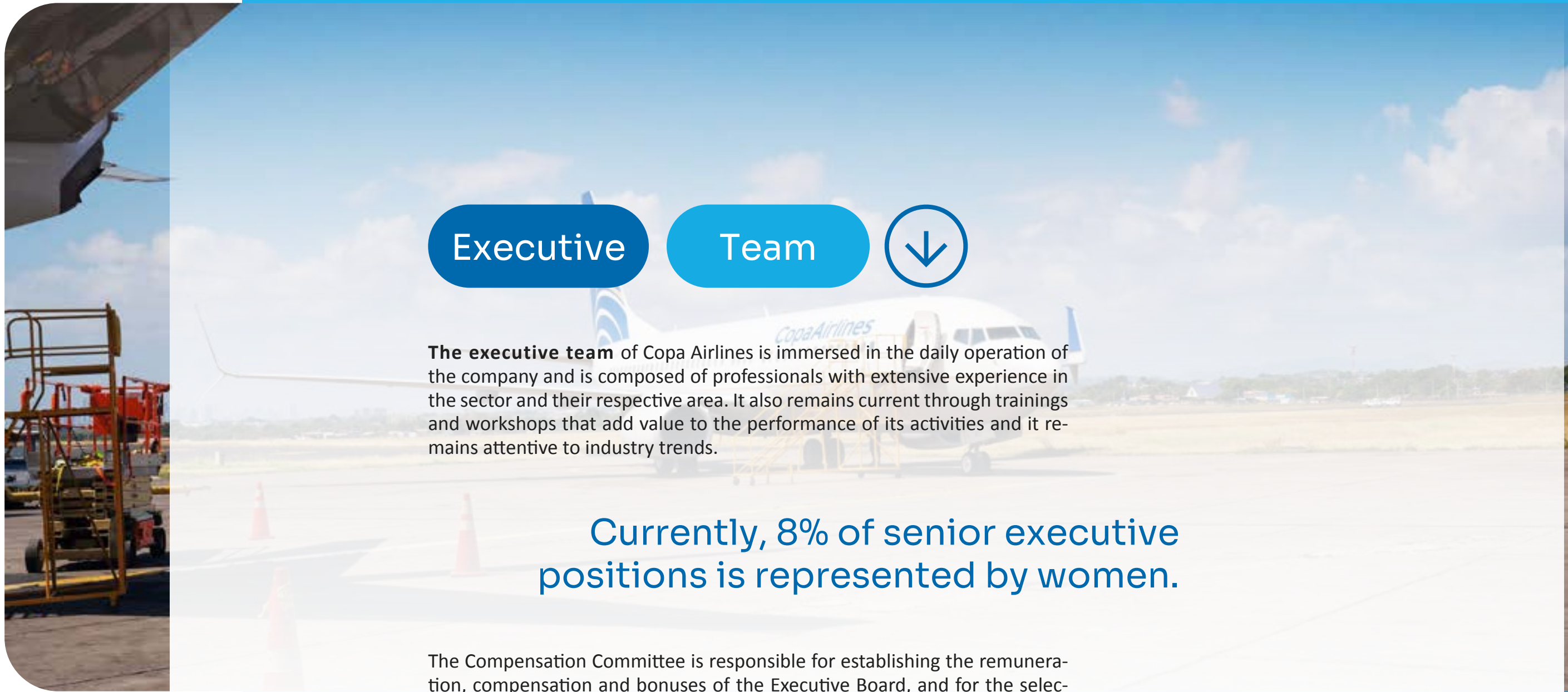
The purpose of this committee is to approve the following:

- any transaction in excess of \$5 million between us and our majority shareholders
- the designation of certain primary issues of shares that will not be included when calculating the percentage of ownership for the Class B shares in order to determine whether the Class A shares should be converted into voting shares in accordance 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.

The Committee of Independent Directors shall also have any other powers expressly delegated to it by the Board of Directors. According to the Articles of Incorporation, these powers of attorney can only be modified by the Board of Directors acting in conjunction with the written recommendation of the Committee of Independent Directors.

Julianne Canavaggio
Josh Connor
José Castañeda

Independent members



Executive Team

The executive team of Copa Airlines is immersed in the daily operation of the company and is composed of professionals with extensive experience in the sector and their respective area. It also remains current through trainings and workshops that add value to the performance of its activities and it remains attentive to industry trends.

Currently, 8% of senior executive positions is represented by women.

The Compensation Committee is responsible for establishing the remuneration, compensation and bonuses of the Executive Board, and for the selection and evaluation process of all executive positions.

Pedro Heilbron	José Montero	Daniel Gunn
Chief Executive Officer and Director	Vice-President Senior of Finance	Vice-President Senior of Operations
Dennis Cary	Peter Donkersloot	Julio Toro
Vice-President Senior of Commercial and Planning	Vice-President of Human Resources	Vice-President of Technology
Bolívar Domínguez	Christophe Didier	Eduardo Lombana
Vice-President of Flight Operations	Vice-President of Sales	Chief Executive Officer of AeroRepública, S.A. (Wingo)
Rafael Samudio	Maria Jaen	Jan Ohlsson Svensson
Vice-President of Technical Operations	Vice-President of On-Board Service	Vice-President of Airport



1

2

3

4

5

6

7

8

9

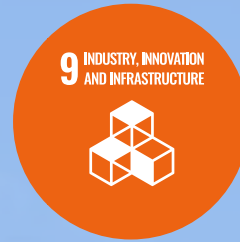
10

11

A

Risk

management



- Identification of risks
- Copa Airlines Business Continuity Program
- Emerging risks
- Climate change risks



1

2

3

4

5

6

7

8

9

10

11

A

Identification of risks (GRI 2-12, 2-13, 2-15, 205-1, 3-3)

Due to our activity and what it represents in our environment, we constantly work on the identification, management and prevention of potential risks that may negatively impact the company, our employees, the interests of shareholders and other related stakeholders.

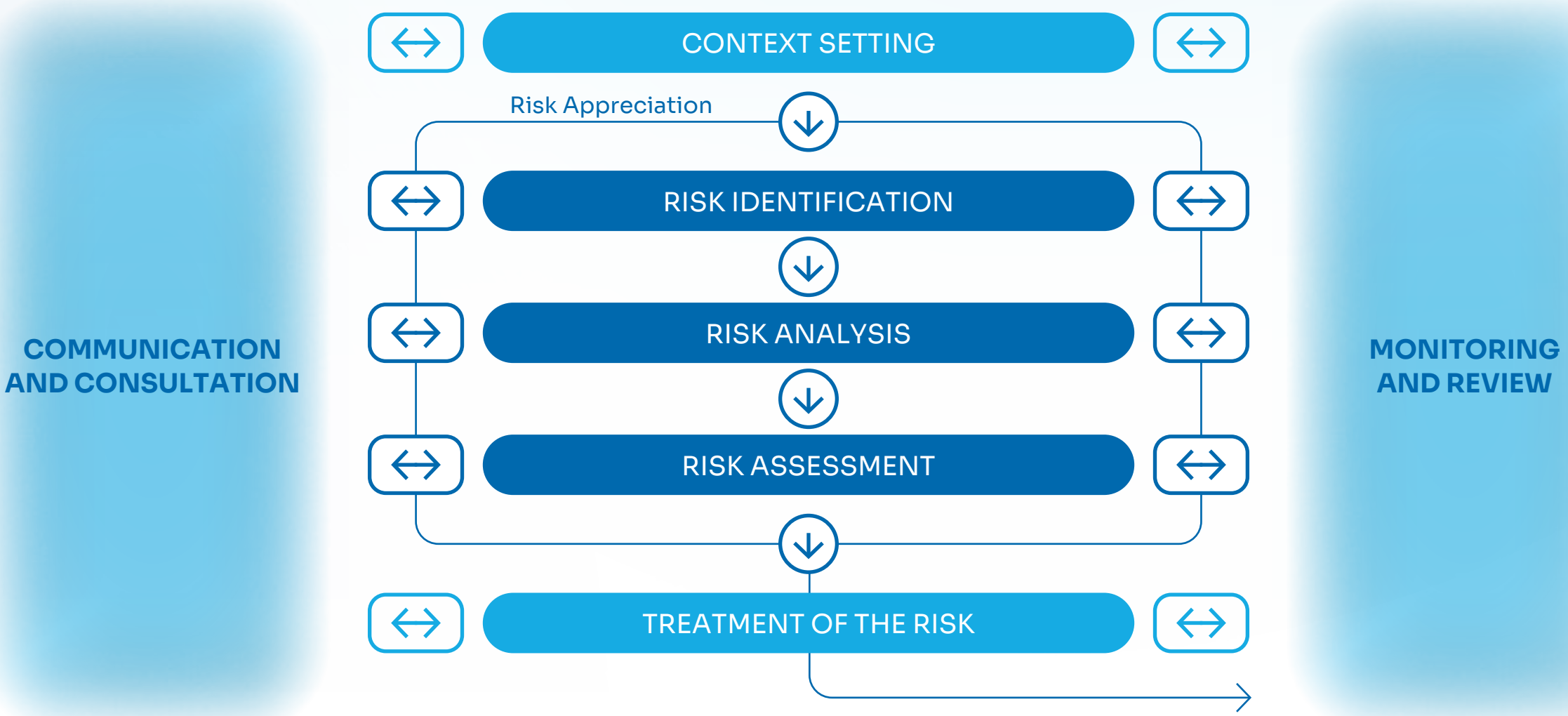
That said, we have the Company's Risk Management Policy (ERM), which is based on the Company's Risk Management Procedure (ERM). The procedure stipulates the methodology and reference framework that the areas and people in charge of monitoring the risks must apply for their correct management.

Additionally, we have a **Risk Management Committee** whose main responsibility is to develop, implement and update the Risk Management Methodology, comprised of the following areas:

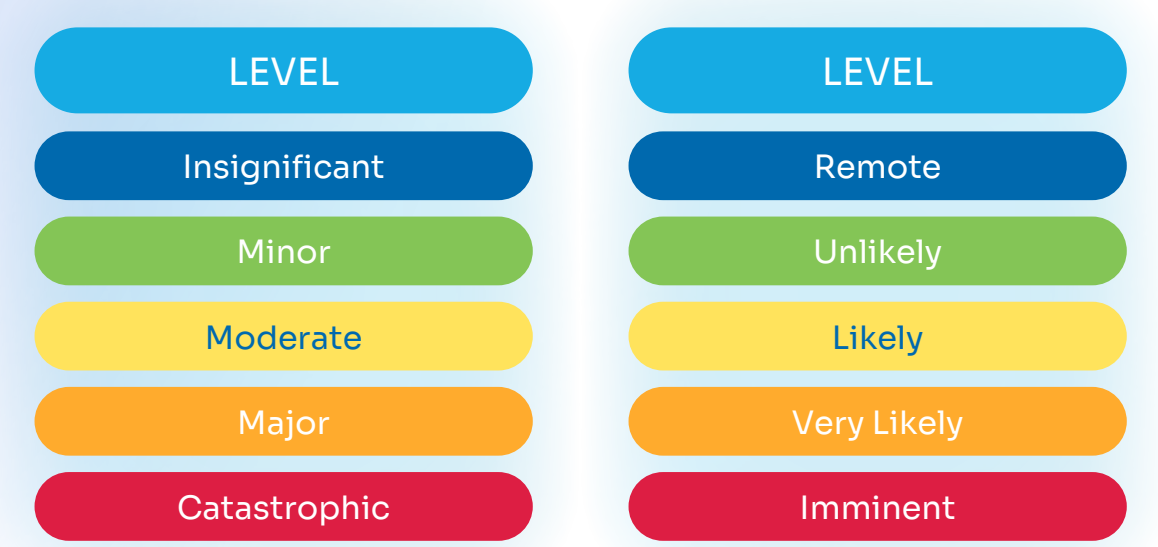
- Finance
- Operational Safety
- Internal Audit
- Legal Advisory
- Technology
- Treasury
- Business Continuity
- Investor Relations

It is supported by the Audit Committee, which is responsible for monitoring the efficacy of the risk management system, as well as evaluating the alignment between risk appetite and organizational strategy. On the other hand, it approves the risk management policy and procedures and defines priorities regarding the criticality of risks and their action plans. Finally, it gives a clear direction on the additional actions that need to be taken to manage risks and opportunities.

The Company's Risk Management process is summarized below:



We evaluate the risk by means of a 5-level classification of impact and probability, which allows us to make the appropriate decisions about whether it is necessary to treat the risks and which treatment strategies are more suitable and profitable; it also involves considering of the sources of risk, the positive and negative impact/consequences and the possibility of these events occurring.



With respect to the identification of risks, we have mapped those that we consider priority for the organization. We break them down as follows:

RISK	DESCRIPTION	KEYS FOR MANAGEMENT
Financial	Pertaining to the possibility that the Company experience an economic loss due to the existing social problems in the places where it operates, and includes other problems in the sector.	- Preventive fuel supply. - Fuel optimization strategy. - Adjustment in the frequencies. - Fare adjustments. - Creation of a new business model: Wingo. - Strategy for government relations. - Adaptation plan to the governmental reality.
Operational	Risk related to the probability of occurrence of any failure in the airline's operational activities, including personnel management, waiting time, fleet renewal, operational safety, incidents or accidents, etc.	- Safety program and associated protocols. - Development of a purchase and return plan. - Relationship with airports for infrastructure improvement. - Academies and internal training plan. - Career plan. - Training in ethical behaviors. - Department of occupational health, protocols in case of an accident. - Work with youth in schools. - Maintaining a close relationship with the community to understand the problems.
Legal	Possibility of increasing legal actions for internal cases related to fines for non-compliance with local and international regulations, fraud, violation of privacy, among others.	- Improving passenger services training for migration issues. - Concrete action plan for the case of timed out crews. - Recurring internal and external audits. - Complaint channels. - Anti-fraud policies. - Communications control center monitoring. - Advisory and financing to public capacities.
Environmental	Probability of occurrence of environmental pollution as a result of Copa's operations, which could cause irreversible damage to the areas where it operates, as well as non-compliance with local environmental regulations.	- Review and monitoring of environmental impact containment processes. - Environmental management strategy. - Development of the environmental impact minimization strategy.



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A



Copa Airlines Business Continuity Program

We have the **Business Continuity Committee** which is responsible for updating the Business Continuity policy (BCM) and supervising its implementation.

An Analysis of Risks and Business Impacts is included, which allows the company’s areas to have a timely and effective response in order to carry on with critical operations while maintaining the availability of information at an acceptable level for the company in the event of a major interruption of its operations.

The documents related to the Business Continuity Policy are as follows:

- Copa Airlines Emergency Manual
- Disaster Recovery Plan (Technology)
- Business Continuity Plan (Processes)
- Operational Risk Management (Safety)
- Charter of the BCM Committee
- Crisis Management Plan (CMP)
- Crisis Communications Plan (CCP)

Emerging risks

We have identified those latent or emerging risks, taking into account the trends of the sector and the context in which we carry out our activities.

FACTOR	IMPACT	MORE INFORMATION
Cyber security	Risks related to information and the technological infrastructure, including information security.	➤ Chapter: Customer Experience - Information security and cybersecurity
Personal data	Risk of security vulnerability or improper use of the data that is generated and/or shared by customers and associates and of the information available from employees.	➤ Chapter: Customer Experience - Information security and cybersecurity
Climate change	Involving risks due to the physical impacts of climate change on COPA operations which affect operational continuity and/or business results.	➤ Chapter: Risk Management - Climate Change Risks
Corruption and fraud	Risk of bribery, fraud and money laundering, among others, which hinder the honesty and transparency of officials and employees, and compromise the company’s assets.	➤ Chapter: Ethics and Compliance Culture

Climate

change

risks

(GRI 201-2, 3-3)

We are currently in the process of conducting a more in-depth analysis of our climate risks (physical and transitional). Our risk area is working on this analysis and it is expected that this process will be completed within 1 to 2 years.

The Risk Committee has already assigned responsibilities to its members in order to periodically identify risks that may have an impact from various perspectives such as economic, reputational, legal and ESG.

Below, we present that brief description of the risks where we will develop our analysis.

RISK	DESCRIPTION
Current regulation	Panama does not currently have a specific law on climate change. In 2007, the National Climate Change Policy was approved (Executive Decree No. 35 of 2007) which incorporates principles, goals and lines of action for climate change, its mitigation and adaptation. Given that the country has been a signatory to the Paris Agreement since April 22, 2016, Copa aligns itself with the guidelines of the agreement, as well as with others such as: the 10 principles of the United Nations Global Compact, the 17 Principles of Sustainable Development (SDGs) of the UN, the Carbon Offsetting and Reduction Scheme for International Aviation, CORSIA.
	Law number 2169 of the National Government of Colombia, through the Ministry of Mines and Energy and the Ministry of Transport, will promote the development and use of sustainable aviation fuels (SAF), in order to contribute to the reduction of greenhouse gas emissions from the transport sector.
Emerging regulation	IATA and ALTA (Latin American and Caribbean Air Transport Association) have formally requested the Latin American Civil Aviation Commission (LACAC) and the Group of Experts on Political, Economic and Legal Issues of Air Transport (GEPEJTA) to draft legislation for the development and production of sustainable aviation fuels in the region, facilitating financing through loan guarantees and capital grants and supporting the advancement of research and development processes for the supply chain.
	Additionally, to provide the same opportunities to access public incentives granted to land transport for the use of biofuels and to create a lasting regulation that protects the confidence of investors in the financing of new production plants.
Technology	Tending to the technological risks associated with our industry, we prioritize the information we handle to the highest degree.
	We are aware of a technological risk faced by the aviation industry and it is related to the use of sustainable aviation fuel (SAF). The long-term climate goals of the industry depend to a large extent on the availability of SAF, so it is worrying whether in the countries in which we operate, the production of SAF meets the demand of the aviation industry.
Legal	Legal risks are assessed as part of our risk management processes since they have the potential to affect the company's reputation; to date, the identified legal risks are associated with compliance of the environmental framework.

RISK	DESCRIPTION
Market	For more than 5 years we have been reporting our activities associated with environmental actions in our Sustainability Report (UN Global Compact standards) published on our website copair.com, and since 2021 we started reporting to the market through the CDP Audit Report. Additionally, our sustainability performance is of interest to our stakeholders, so we make sure we are in line with their expectations and address this issue through our materiality analysis.
Reputation	Our External Communication Strategy is aligned with our actions and always in accordance with our Code of Ethics and our commitment to the Sustainable Development Goals (SDGs).
	We are currently in the process of conducting a deeper analysis of our climate risks (physical and transitional) and therefore, in the coming years, the identified market risks may be strengthened.
Acute physical	It refers to those derived from extreme climate events.
	We are currently in the process of conducting a more in-depth analysis of our climate risks (physical and transitional) and therefore, in the coming years, the identified physical risks may be strengthened. However, hurricanes are an example of these types of risks that can potentially affect our operations. Climate impacts are analyzed as triggers, since they can interrupt operations and affect our operating costs, so they are analyzed by periods, answering the following questions: For how long are operations interrupted?  Less than 1 hour  1 to 3 hours  3 to 6 hours  6 to 12 hours  12 to 24 hours  24 to 48 hours  More than 48 hours
Chronic physical	Those related to the climate changes that are gradually occurring such as temperature change, rainy seasons, changing seasons, sea level rise, etc. We are currently in the process of conducting a deeper analysis of our climate risks (physical and transitional) and therefore, in the coming years, these types of physical risks may be strengthened.

Finally, we are conducting an idea generating exercise on the risks related to climate change, specifically annual CO₂ emissions in aircraft ground equipment, water consumption and excessive energy use, in order to determine the causes at an organizational level and the impact it would have through the methodologies used to date.

Ethics and compliance culture



- Policies
- Reports of violations and investigations
- Ethics and Compliance Committee
- Training
- Compliance Program
- Legal Compliance Committee
- Law enforcement and crime prevention
- Corruption and Bribery

Ethics and

compliance

culture



(GRI 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3, 3-3)

(SASB TR-AL-520a.1)

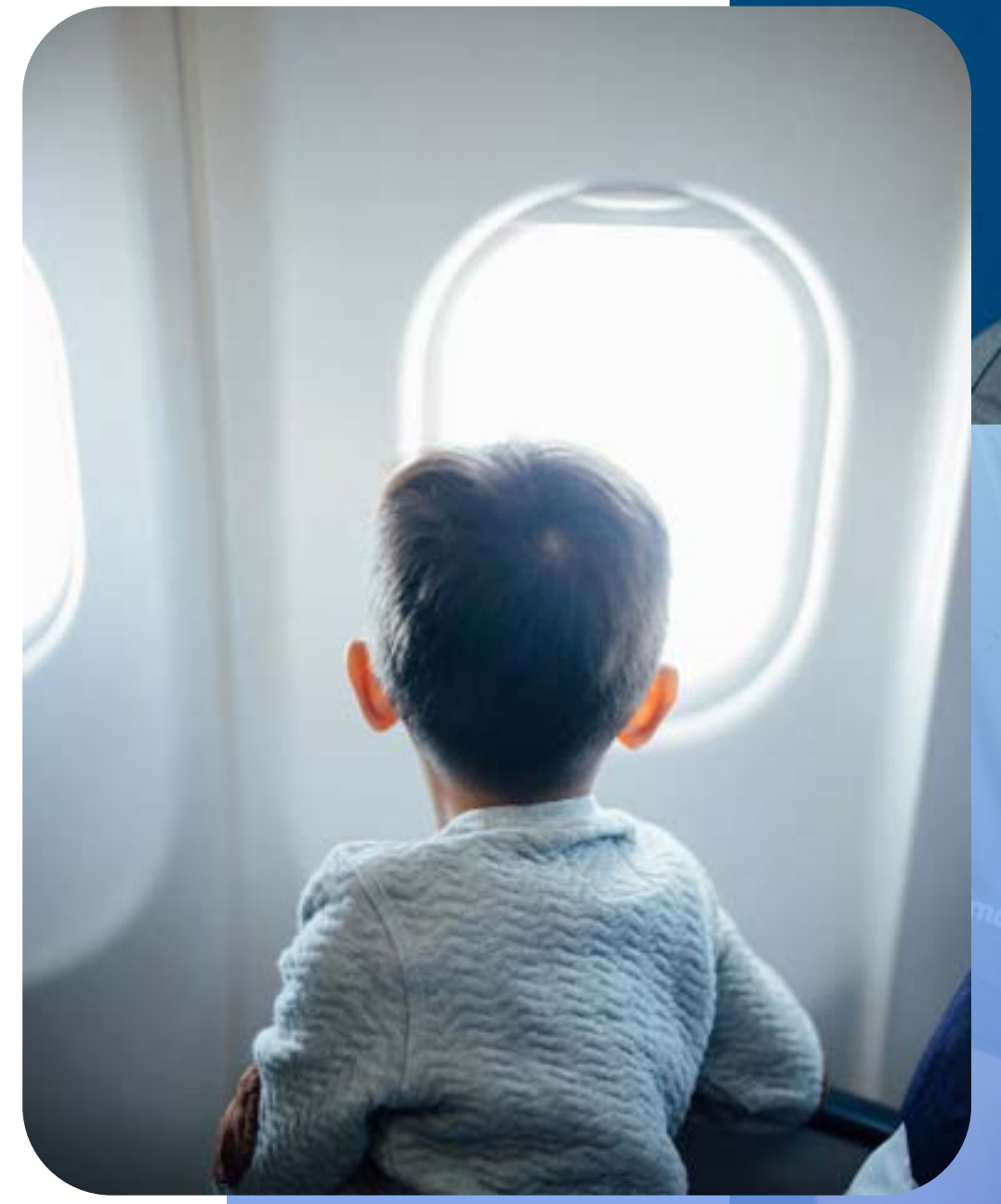
At Copa Airlines, we are aware that in order to achieve our vision of being the Leading Airline in Latin America, it is necessary to operate under the highest principles of ethics, legality and transparency framed within the Code of Ethics and Business Conduct and our internal policies and regulations.

Our Code of Ethics and Business Conduct aims to establish the guidelines for behavior, obligations and commitment to compliance with policies, principles and standards, in the decision-making process and the execution of daily tasks for all those who work directly or indirectly at Copa Airlines.

The code of ethics and business conduct establishes various policies and guidelines for:

- Conflict of Interest
- Equal opportunities and equal treatment
- Protection of personal integrity
- Transparency, zero (0) tolerance to illegal acts
- Prevention of sexual exploitation of children, adolescents and people trafficking or trade (trafficking or trade with persons)
- Whistle-blowing
- NR Ticket Management
- Levels of Authority
- Security
- Confidentiality Agreement
- Acceptance of gifts, among others

Even if it is not possible to establish provisions and policies that govern all the situations that our employees may face, the principles and norms contained in the Code define a framework and parameters that guide the actions of the company and its employees among themselves and in front of our clients and the community in general, which does not exclude the obligations contained in local and international laws and regulations which are enforceable to the company, as well as to the employees in each of the countries where we operate.





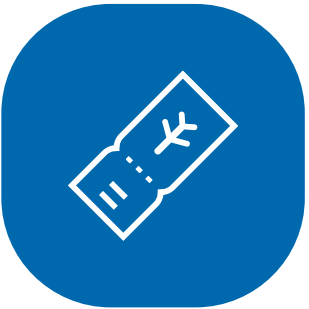
Policies



Whistle-blowing Policy

Through this policy we are committed to protecting people who in good faith make reports of non-compliance with the Code of Ethics and laws and/or regulations; also, to conduct investigations of complaints and communicate the results of the investigations.

We strictly prohibit any form of retaliation, persecution, threat, suspension or demotion against a person for issuing a good faith report on suspected violations of the Law, Copa values or other suspected misconduct or for assisting in the investigation of reports filed.



NR Ticket Policy

We have a policy that prohibits the use of NR ZED benefits and tickets for trade, sale and purchase of items that compromise the company or for the benefit of personal or third-party companies. These benefits must be used in compliance at all times with the policies and regulations that apply to them.

The NR policy must be faithfully complied with by all Copa employees and their beneficiaries. Such benefits allow to register people with a legally proven relationship by consanguinity or affinity, as established by the NR Tickets Manual.



Family Recruitment Policy

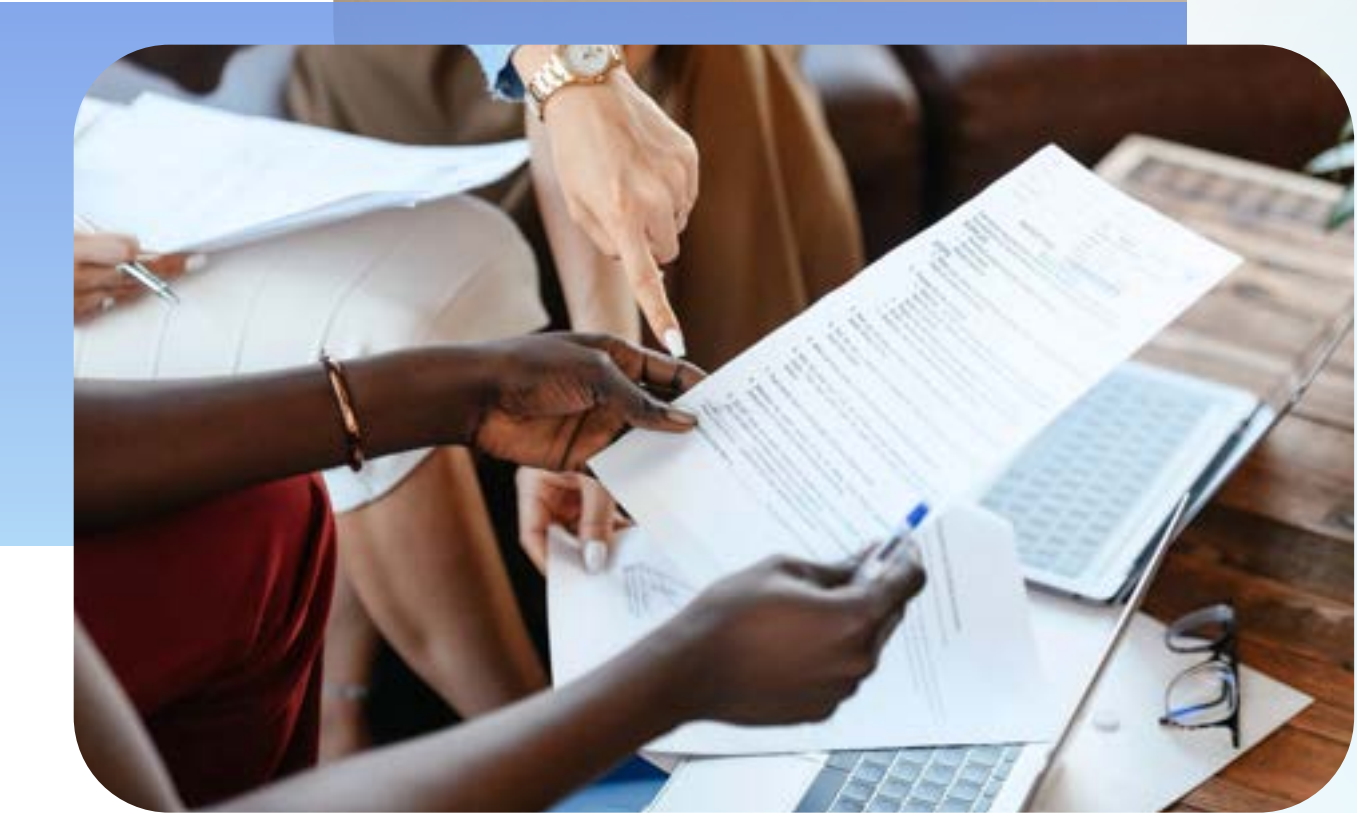
We have a Family Recruitment Policy that establishes the guidelines by affinity and/or consanguinity. If a relationship arises during the period in which they are working, both should report it to the area leader and he or she to the Generalist. The case will be evaluated in the Ethics Committee to determine if a relocation or other action is required.

Gift Acceptance policy

Policy regulating the processes of any negotiation with a supplier, where gifts or invitations to dinners, events, conferences or trips should not be accepted. To obtain approval, the Ethics Committee, who will review the case, must be informed.

Insider Trading Policy

Policy applicable to directors, members of the Extended Executive Committee (CEA), employees and consultants, who, due to their functions, have access to unpublished information or material such as: strategic plans and projects, budgets, financial statements, business practices, marketing systems and data or personal or professional information of employees, information that may not be disclosed.





Reports

of

violations and

investigations



At Copa Airlines we promote ethical behaviors among all our employees, which are monitored through the supervision of the areas and report filing. This Code is mandatory compliance for all Copa employees, members of the Board of Directors and suppliers.

All our employees are responsible for ensuring that their behaviors and the behaviors of any person fully comply with Copa's business policies, including the Code of Ethics. The mechanisms for reporting possible violations of the Code of Ethics are:



Manager or Area Director

The first point of contact to report any violation of the Code of Ethics is the manager or director of each area. In turn, he or she must immediately and confidentially raise the complaint to the HR Partner for his or her area or the Ethics Officer without making interpretations or judgments and without omitting or modifying the reported facts, at all times maintaining the confidentiality of the case.

Copa Escucha

It is a 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.

Employees can make a report by phone (+507) 238-1354 or by e-mail: copaescucha@copaair.com.

Reported violations will be investigated immediately. It is important that the person reporting the violation does not investigate on their own.

It will be necessary for both the affected party and the person(s) involved to fully cooperate with any investigation conducted by Copa in relation to reported violations.

Ethics officer or Audit Director

If, for any reason, the employee requires to use an alternate channel to the two previously mentioned, either for confidentiality, security or other reasons, they must immediately inform the Vice President of Human Resources, who serves as Ethics Officer, the Director of Internal Audit of Copa or the Executive President (CEO). The identity of the person reporting an event and the identity of the person reported will be handled as confidential information.

We note that during 2021 we did not have any complaints that merited a greater warning call or contract termination measures.



Ethics

and

Compliance

Committee



To guarantee compliance with the Code of Ethics, we have the Ethics and Business Conduct Committee which is headed by the Vice President of Human Resources of Copa, appointed as Ethics Officer and responsible for supervising and monitoring compliance with this Code, as well as submitting periodic reports to the Copa Audit Committee regarding the procedures and policies put in place to guarantee compliance with this Code as well as its implementation and effectiveness.

Once a case has been reported through the previously described channels, the Ethics Committee assigns it to the HR Area Partner who will proceed with the investigation. The HR Area Partner will report the progress and final result of the investigation to the Ethics Committee.

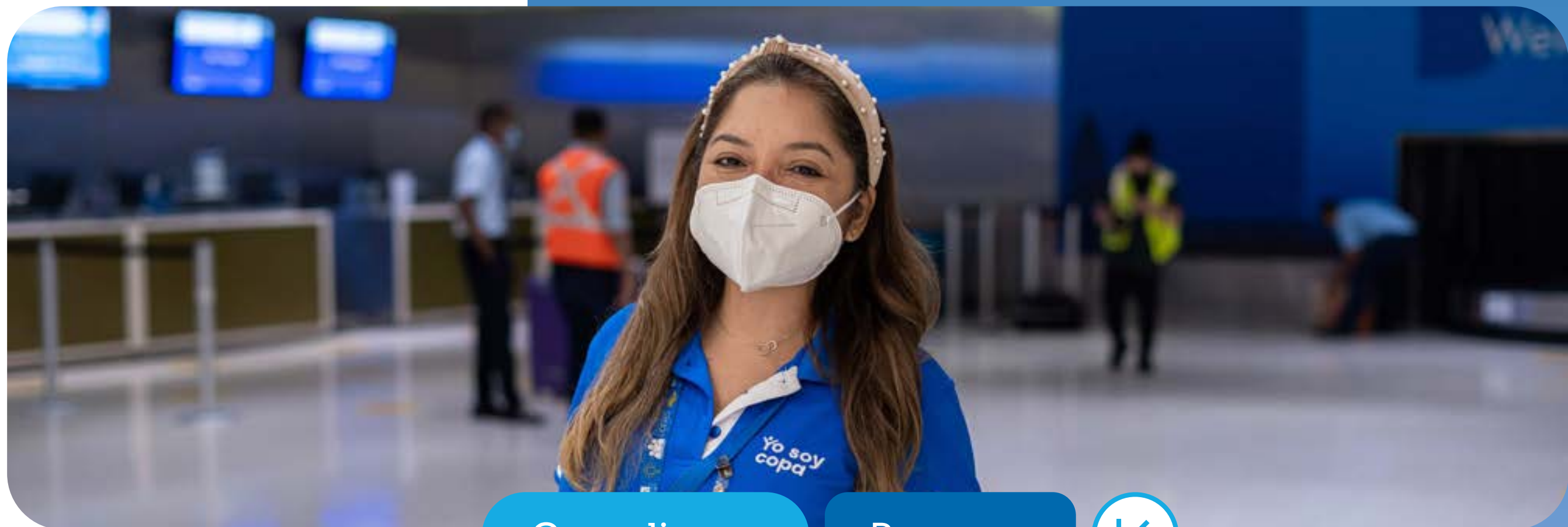
Training



We recognize the importance of training and understand that all our employees must be aware of the laws and regulations applicable in the countries where we operate, as well as our internal codes and regulations.

For this reason we share the Code of Ethics and Business Conduct through our Corporate Communication and Training channels. Every employee of the company will be required to comply with the mandatory recurring certification.

At the moment, 100% of the employees are trained.



Compliance

Program



We currently have a Compliance Program that allows us to prevent the commission of crimes and non-compliance with laws and regulations, as well as company Policies, through prevention, detection, controls, monitoring and training activities. We also have a training program that plans to strengthen the topics of prevention and compliance with laws in existing and future trainings, as well as the dissemination of this program.

The Compliance program is composed of the following pillars:

- Organizational commitment
- Risk management, controls and mitigation plans
- Training
- Reporting channel and internal investigations
- Audits and monitoring



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Legal Compliance Committee

As part of the organizational commitment, we have a Legal Compliance Committee whose main functions are:

- Approve the compliance program and its modifications.
- To approve the procedures and controls pertaining to crime prevention.
- Assess the risks due to non-compliance of controls and approve mitigation plans.
- Assess high-risk cases.
- Decide on the need to make suspicious operations reports, in accordance with the applicable regulations.
- Others that the company considers and the current regulations.



Law enforcement and crime prevention
In addition, we have policies, practices and processes aimed at the prevention of crimes, which allow for an effective observance of the laws by our employees, managers, executives, and third parties at the service of the company.

Corruption 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, or representing the company.

It is considered that an act of bribery is committed by whoever directly or indirectly, corruptly or unlawfully, offers, requests, promises, authorizes or delivers to a public official or servant money or any object of value, benefit or advantage for them to perform, delay or omit any act pertaining to their position or employment or in violation of their obligations or duties in order to influence a government decision or obtain a commercial or other advantage for the Company.

“Corruption” is understood to be any act carried out by a public official or servant aimed at inducing a person to give or promise money or benefits for the fulfillment and exercise of their public functions.

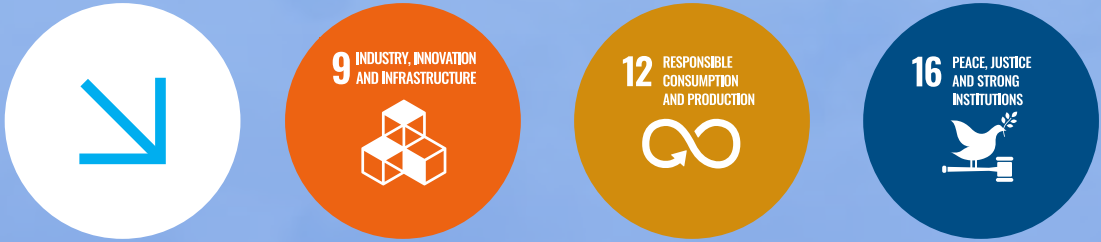
During 2021 we had no sanctions or fines related to corruption or money laundering issues.

- 
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Responsible

supply

chain





1

2

3

4

5

6

7

8

9

10

11

A

Responsible

supply

chain



(GRI 2-6, 203-2, 205-1)

At Copa Airlines, we are aware of the impact that our value chain has on the company's operations, so we maintain a high commitment to our supply chain by making purchasing processes more efficient, conducting risk assessments and drafting fair contracts for both parties.

We always seek to have our suppliers align and share our values and principles, so we communicate and share our Code of Ethics and Conduct with them, disclosing it during the signing of the respective contracts where we stipulate the obligations and guidelines established in the Code.

We also have the Negotiation and Contract Policy, which provides the general supplier selection guidelines. The Procurement department being the main area in charge of managing the negotiation processes through collaboration between the business areas and the identification of their needs.



100%



of our

suppliers

know the

Code

of

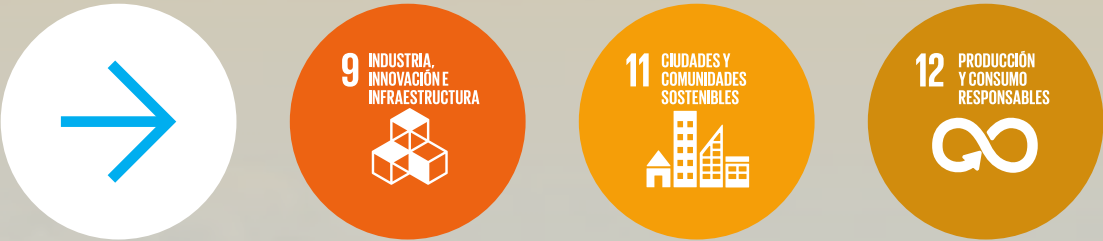
Ethics



To monitor the performance of our suppliers we have the supplier management process, where we monitor and ensure the correct execution of the services and/or products provided. The success of supplier management is directly related to clear and well-documented rules, expectations and standards that allow us to monitor the execution.

We also have Third-Party Due Diligence, which is part of the Compliance Policy. This due diligence is applied throughout the supplier procurement process, evaluating unethical aspects and ensuring respect for human rights by our supply chain.

Customer experience



- Experience in service
- Innovation and omni-channeling
- Information security and cybersecurity
- Operational safety management

Experience in service (GRI 2-25, 416-1, 3-3)

At Copa Airlines, we fly according to our goal of connecting people and regions, we focus on providing the best experience during the various stages of our customers' travel, strengthening our services at all points of contact: from the purchase of their ticket and travel arrangements, during their experience at the airports and on board, and especially restoring our service during irregular situations.

Committed to the customer, we have the responsibility to communicate, consult and attend to every approach that our customers have with us either in a positive way as well as to highlight our areas for improvement.

For this, we commit to:

- 1. Communicate the lowest available fares.
- 2. Notify known delays, cancellations and diversions.
- 3. Deliver baggage on time.
- 4. Valid reservations without payment for 24 hours.
- 5. Reimbursement of flight tickets and optional services.
- 6. Accommodations for clients with disabilities and other special needs.
- 7. Meeting the essential needs of customers during long tarmac delays.
- 8. Volunteers in an overbooking situation.
- 9. Disclose cancellation policies and frequent flyer rules.
- 10. Timely notifications to customers about itinerary changes.
- 11. Ensure responsiveness to customer complaints.
- 12. Mitigate passenger inconvenience.

Our Net Promoter Score (NPS) during 2021 was 35.4%, setting us the goal of reaching 45% in 2022.



During 2021 we operated 44,126 flights, thanks to the trust that our customers have placed in us in order to reach their destinations. We want to make punctuality our main differentiating factor, positioning the Hub of the Americas as the main point of connection for Latin America

We note that for the eighth consecutive year we received the Cirum award for being the most punctual Airline in Latin America, thus reaffirming our commitment to connect the Americas safely and reliably. We achieved a score of 90.25% in a total of 44,126 flights operated in the year.

We also have a contingency plan to manage and minimize the negative impact on customers, in situations where various factors may cause a prolonged delay on the runway. This plan is designed in accordance with the regulations of the United States Department of Transportation (DOT).

By 2022 we have the goal of meeting 90% of our punctuality indicator (on-time arrivals at 14 min), as well as the MBR indicator by 3.8 points, or cases of mishandled baggage per thousand passengers.

For the Fulfillment Factor indicator, which is the rate of flights that we did not cancel, we set the goal of 99.8% by 2022. Although this indicator will surely be affected by the cancellations that had to be made in the months of January and February due to OMICRON.



Innovation and omni-channeling

We have important projects aimed at improving the shopping experience through our sites [copa.com](#) and the ability to self-manage. Some of the benefits for our customers is to provide them with better advanced search options in the purchase process, self-service for flight changes, cancellations and refunds.

We have made improvements to [copa.com](#) which is the starting point where our customers initiate their shopping and travel experience in order to provide greater security, ease of use and flexibility, which helps customers to easily meet their needs.

We also replaced our website for reservations or mileage redemption booking engine, migrating to our own platform. In addition, we continue to make improvements to our passenger notifications and to the service of our call center.

We have the NDC (New Distribution Capability) Level 4 Certification, under the NDC Certification program granted by the International Air Transport Association (IATA). This technological standard was developed by airlines together with IATA with the aim of modernizing airline distribution. The NDC standard enables direct and robust communication between airlines and travel agencies and allows airlines to offer dynamic and personalized products and prices in real time. The NDC Level 4 certification proves that Copa Airlines uses complete Offer and Order management messages according to the standard.

Through NDC, Copa Airlines will provide a modern, reliable and content-rich channel that will differentiate the product and service offerings that our partner travel agencies can offer to our customers.

Information security and cybersecurity (GRI 418-1, 3-3)

At Copa Airlines we guarantee the protection of our Customers' and Employees' personal data, so we have executed the following actions:

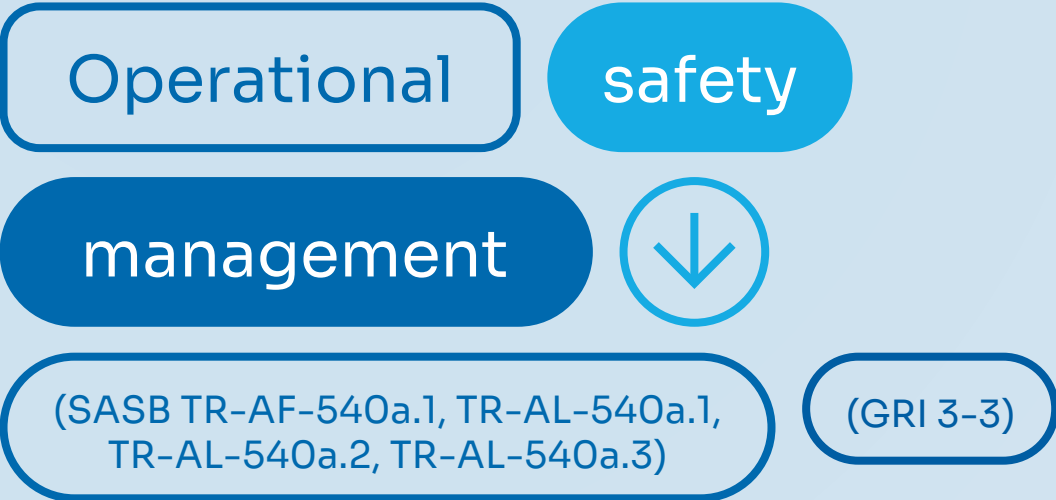
- Implementation of Corporate Governance through a Data Protection Committee.
- Identification of scope and security controls for processes that handle personal data.
- Creation of personal data protection clauses and addenda, which are being included in contracts with Suppliers, Employees and Business Partners.

In addition, we have specific policies for data protection:

- [Personal Data Protection Policy for Customers and Passengers](#): Aims to provide the reference framework for the collection, handling and processing of the personal data of our Customers and Passengers.
- [Personal Data Protection Policy for Employees](#): Aims to provide the framework of reference for the collection, handling and processing of the personal data of our employees.

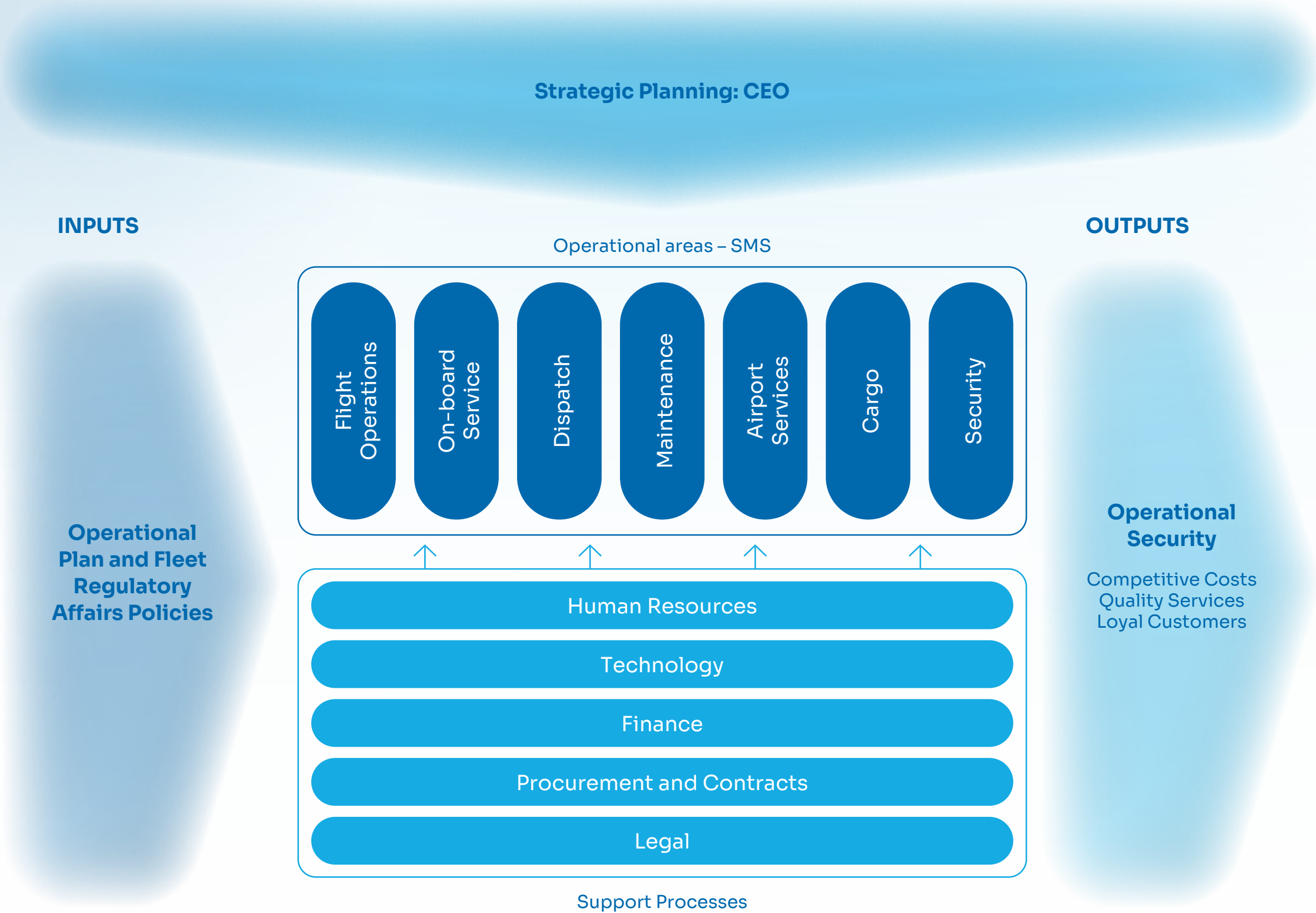
We also promote safe shopping under the highest security standards. All online transactions are protected with SSL technology. This technology allows the encryption of all confidential information during online transactions.





Operational Safety is of the highest priority at Copa Airlines, which is why we are committed to developing, implementing, maintaining and constantly improving the strategies and processes that ensure that all our aviation activities are carried out under the highest safety standards, complying with regulatory requirements and protecting our employees, passengers and suppliers.

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 assessing latent and potential risks, at all times in alignment with the international standards of our airline and the aeronautical regulation of Panama, as well as other authorities that have an impact on the operation and the regulations of states where the airline operates.



The Vice President of Operational Safety and Quality Assurance establishes the requirements of the Operational Safety Management System (SMS) and ensures that all the operational areas that comprise the airline, together with its suppliers, comply with the standards established in the SMS.

COMPONENTS OF THE SECURITY MANAGEMENT SYSTEM (SMS)

- Operational Security Policy and Goals
- Operational Security Risk Management
- Operational Security Assurance
- Promotion of Operational Security



In addition, the SMS is supported by the Operational Safety Policy, as well as other policies established within the SMS, which are:

Continuous Improvement Policy

The airline's Operational Safety Policy contains the commitment of senior management to the continuous improvement of the Operational Safety Management System (SMS). This statement is materialized under the monitoring and management of the airline's indicators.

Non-Punitiveness Policy

It serves to guarantee that no action will be taken against any employee who discloses an operational safety concern through the hazard reporting system, unless such disclosure indicates, beyond any reasonable doubt, negligence or conscious disregard for regulations or procedures.

Reporting System

We have a reporting system that is part of the reactive method of hazard identification and, in some cases, of the predictive method due to the nature of the reports. The types of reports and their handling are as follows:

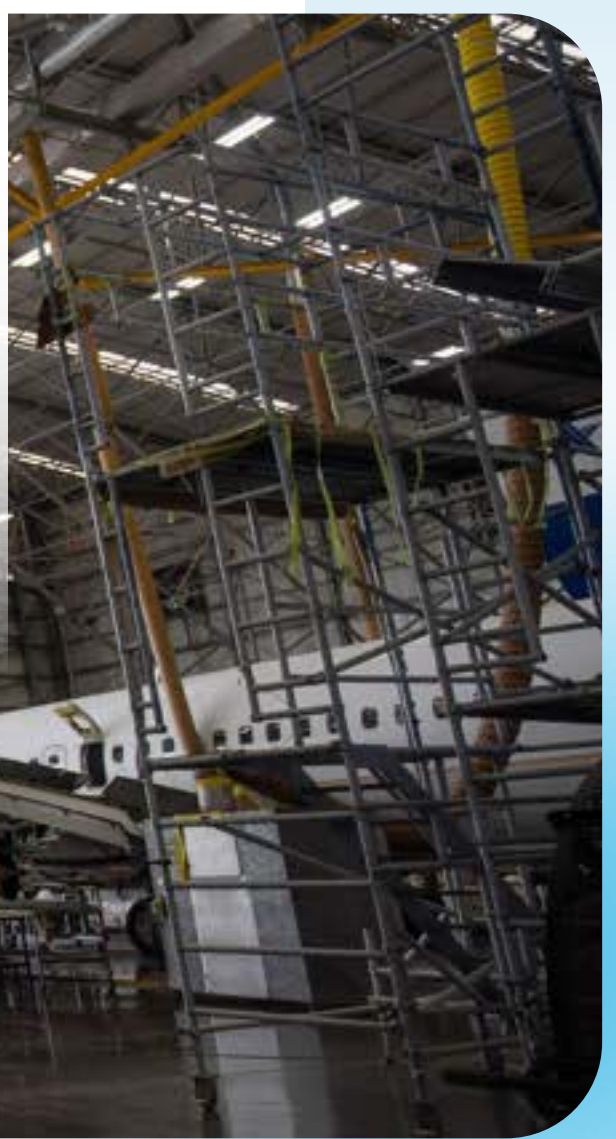
- Mandatory: Operational safety events that must be notified to the aeronautical authority.
- Volunteers: Operational safety events that are not mandatory.
- Confidential: Those in which the reporter explicitly chooses the option of "confidential".

The channels available to report operational safety events are:

- AQD, this system is accessible on the airline's intranet. Additionally, it is 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.
- E-mail, to the following address: seguridad@copair.com, available to employees and suppliers.

Operational safety reports are one of the valuable tools we have available. These reports are aimed at detecting risks within the operation, which allows an increase in internal operational safety standards in each operational area.

The Vice Presidency of Operational Safety and Quality Assurance, under the Management of SMS, is responsible for evaluating, classifying, registering and, depending on their nature, directing the operational area to manage them.



SMS Training Program
The Vice Presidency of Operational Safety and Quality Assurance, in accordance with the airline’s policies, industry standards and aeronautical regulations, establishes and defines the training standard for the staff of the Vice Presidency of OS&QA who implements, develops and maintains the SMS, as well as for the personnel of the operational areas who have operational safety responsibilities.

The main training modules within the SMS are the following:

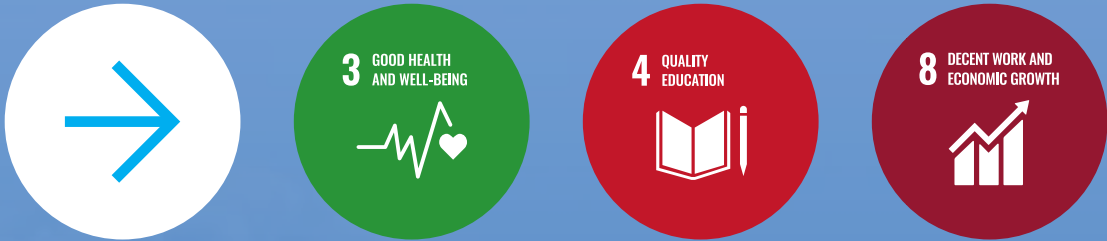
- 1 General SMS Module
- 2 SMS Module Leaders and Line Staff
- 3 Module for management tools



During 2021 we had NO relevant operations incidents that affected Copa Airlines’ service, or that put our employees and customers at risk.

For the 2022 Dispatch Reliability Indicator or MDP goal, which refers to flights that do not have delays or cancellations due to technical affectations at the departure time, we have stipulated 99.55%.

Employees



- Commitment to the team
- Labor demographics
- Training and career development
- Equality and diversity
- Safety and health
- Working climate

Commitment

to the

team

Our talent is composed of trained professionals who are committed to and engaged with the continuity of our operations. We ensure their satisfaction and quality of life within the company, ensure their development and promote diversity and inclusion within our work teams.

We have a series of corporate initiatives aimed at offering benefits and differentiating services, which have an impact on the commitment of employees. Our value proposition towards employees is presented in the following scopes:



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



Benefits and Compensation



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

- Home
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Labor

demographics



(GRI 2-7, 2-30, 3-3, 401-1, 405-1, 407-1)

(SASB TR-AL-310a.1)

At the end of 2021, Copa Airlines' workforce was composed of 6,127 employees, with a 36% representation of women in the total workforce:



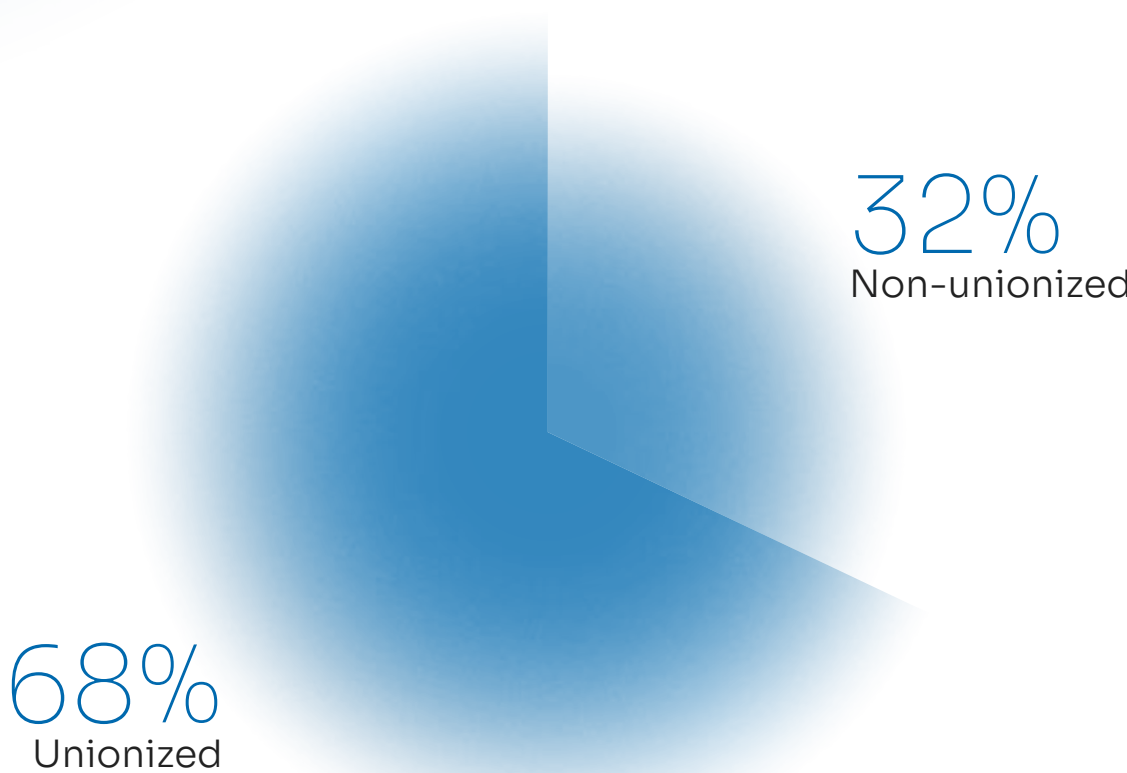
6,127 employees



2,233 women



3,894 men



N° EMPLOYEES		
PROFESSIONAL CATEGORY	MEN	WOMEN
Aviation Mechanics	93%	7%
Pilots	90%	10%
Flight crew	45%	55%
Above the Wing	54%	46%
Below the Wing	98%	2%
Administrative - Executive	54%	46%
Administrative - Management	58%	42%
Operational - Executives	70%	30%
Operational - Management	73%	27%

Despite the operational and economic difficulties we experienced throughout the year as we recover from the pandemic, we continue recruiting to respond to the opportunities generated from the increase in operations in the various countries where we are present, betting on local employment and promoting economic development in the locations where we operate.

We increased our workforce compared to last year by 5.4%, thanks to continuous growth and our rebirth after the difficulties overcome.



Training

and

career

development



(GRI 404-1, 404-2, 404-3, 3-3)

The **professional and personal** development of our talent is of vital importance to us, since we promote and foster the technical and operational knowledge necessary to perform activities with the highest quality and rigourousness. We also ensure a career plan within the organization under meritocracy guidelines and good teamwork.

In 2021 we accomplished the implementation of Copa Academy, a modern corporate training platform, designed to develop the skills of our employees through continuous digital training and learning.

We also provide two types of training in terms of content: technical training and non-technical training.

Technical training

Its **purpose is to deepen** and/or develop knowledge, skills and attitudes required to carry out operational processes. This training must comply with national and international aeronautical standards (AAC, IATA, ICAO, IOSA, FAA, TSA, etc.) and other non-aeronautical standards that apply. Includes:

TECHNICAL TRAINING

Airport
TrainingFlight
Operations
TrainingOn-Board
Service
TrainingTechnical
Operations
TrainingAudit and
Security
Training

ALAS



ATA



Non-technical training

Its **purpose is to deepen** and/or develop knowledge, skills and attitudes that promote:

- 1 Commercial strategy and management of the business
- 2 Sales
- 3 Cost efficiency
- 4 Process and project management
- 5 Customer loyalty
- 6 Organizational culture
- 7 Development of key competencies (leadership and people management)

This training responds to a business need and must be aligned with the four pillars of the RAE and/or the corporate competencies. As a result, each employee is sought to obtain the knowledge, skills and attitudes to meet their personal objectives, as well as organizational objectives.

Copa Academy offers more than 600 training programs and modules to employees.



We also have a Learning and Development unit that centralizes the functional training programs in the following academies:

- ✓ Academy of trainers
- ✓ Service Academy
- ✓ Leadership and Management Academy

As part of the Service Academy framework, we trained more than 1,400 people in Panama and Stations with the Customers First program in the areas of On-Board Service, Passenger Service, CTO, Commercial and Call Center.



Apart from the Leadership and Management programs, the learning unit designs, co-develops, promotes and executes several development programs focused on the professional growth of the company's employees, by implementing the following programs:

Emerging leaders program

Provides leadership and management tools and good practices to employees with growth potential within their position and/or towards a higher leadership role than the one they occupy.

Mentoring program

It consists of two types of mentoring programs, one focused on providing accompaniment to new leaders (external or newly promoted) in their operational and administrative performance and the other focused on employees with growth potential.

Coaching Program

It consists in assigning a certified external coach to a vice president and/or senior director defined by a succession plan with the purpose of closing gaps in his or her leadership and/or communication.

Language academy

It includes English and Portuguese programs and its goal is to teach our employees to communicate in these languages, either due to regulatory requirements or to better meet the needs of our passengers, thus increasing their level of satisfaction and loyalty.

Academy of Professional Skills

To develop in the employees the skills that enable a good performance in their day to day and in their professional growth.

During 2021, we conducted more than 10 sessions with over 300 virtual participants of the Corporate Webinar program in which, through short and dynamic talks, we sought to expand and share good ideas, practices and tools that inspire changes in our employees.

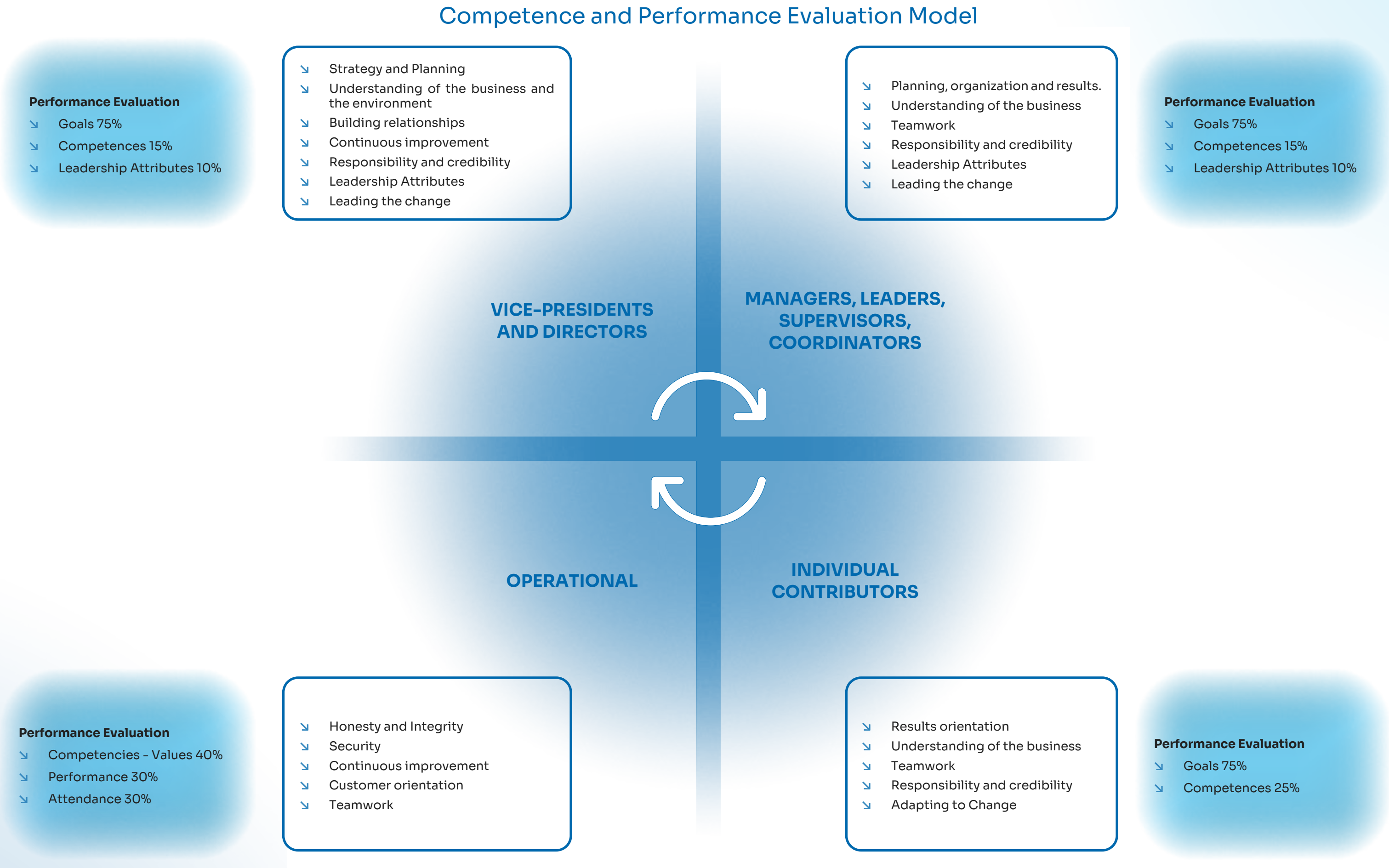
Performance evaluation

At Copa Airlines, performance is measured through the fulfillment of objectives, the competency model and, in the case of leaders, leadership attributes.

We have evaluation models for the Executive Committee, leaders, administrative employees without staff in their in charge and operational employees.

For the operational payroll: pilots, aviation mechanics, crew members and other operational positions, the evaluation process is carried out based on the parameters established by the regulatory authorities and the administrative and operational manuals of each area. In addition, compliance with values, attendance, discipline and performance are assessed.

Our competency and performance evaluation model is segmented by audience, as illustrated below:



Equality and diversity

↓
(GRI 405-1, 406-1, 3-3)

In the fight for equality and support for diversity, Copa Airlines voluntarily joined the “Commitment 25by2025” of the International Air Transport Association (IATA), a campaign that seeks to promote gender diversity in the airline industry with a view to 2025. The objectives of this initiative include:

- 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.
- Increase the number of women in jobs with a low female presence (for example, pilots and operations) by 25% compared to the current number or achieve a minimum representation of 25% by 2025.
- Preparation of annual reports on the evolution of the main indicators in the field of diversity.

These commitments are reflected in guidelines established in our Diversity and Inclusion Policy, which promotes a culture of respect for diversity and inclusion at all levels of the company.

In addition, we have the Copa Airlines Diversity and Inclusion Committee, which presented ELEVA, a strategy that seeks to promote a culture that respects, values and includes diversity, and promotes actions that strengthen inclusion in all our talent management processes, and initiatives where all employees feel that they can grow and achieve their personal and professional goals within our organization.

We are subscribed since 2018 to UN Women’s commitment to promote gender equity and equality, through the Women’s Empowerment Principles (WEPS) program.

42% of the management positions are occupied by women.

Finally, we have set goals on inclusion, diversity and equity issues:

GOALS	
DISABILITY	Reaching the goal of 2% (except pilots, mechanics and flight attendants)
PROMOTION OF WOMEN	Increase non-traditional and executive positions by 25%
ETHNICITY, RELIGION, LGBT, GENERATIONS	Increase favorability % in Climate Survey diversity question
COMMUNICATION AND CULTURE	Signatories of SIGenero, IATA 25 by 2025 Campaign, WEPS



Safety

and

health



(GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 3-3)

(SASB TR-AF-320a.1, TR-AF-540a.1)

We ensure the well-being of employees, providing optimal working conditions that guarantee their physical and emotional health. At Copa Airlines, we are committed to having a healthy workforce in every way, staying focused on 3 pillars of occupational health:

Prevention and promotion of the health of employees

Employee health surveillance

Reintegration and reinsertion

1

Prevention and promotion of employees' health



Its purpose is to contribute to, maintain and improve the health of employees, through health promotion and disease prevention programs in accordance with the requirements of the jobs.

2

Health surveillance of employees



Health surveillance helps to measure and reduce occupational risks and identify work-related diseases in a timely manner. For this reason, not only the work environment or processes are monitored, but the health of employees.

The main purpose of the programs is to establish a preventive culture, promote, prevent and monitor the health of employees, protecting them from occupational factors or risks.

The process by which it is performed is as follows:



3

Reintegration and reinsertion



To monitor the withdrawals and effective reintegration of employees, the company will implement the following programs:

- Rules of the program for labor reintegration for health reasons.
- Criteria for inclusion in the labor reintegration program.
- Relocation criteria.



In alignment with our pillars, we implemented programs for surveillance and care at the workplace for all our employees:

- Program for the prevention of musculoskeletal disorders and ergonomics.
- Hearing conservation program.
- On-the-job illness or accident care program.
- Alcohol and drug prevention program (PADA).

In addition, we have health care clinics providing health services to all our staff.

In terms of safety, all our employees are highly trained in good practices and equipment management in our operations.

During 2021 we did not experience serious cases of accidents or illness in our workforce.

2021

INCIDENCE RATE (IF)

4.2

SEVERITY INDEX (IS)

23.19

IF= # of workplace accidents in period/Total hours worked x 200,000

IS=# of days of absenteeism in period/Total hours worked x 200,000



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A

Working

laboral



(GRI 401-2, 201-3, 3-3)

The **organizational climate** is of great relevance to be able to materialize our work culture, thus we promote open communication within each level of the organization and strengthen ties with each of the employees.

We annually conduct the Organizational Climate and Commitment Survey through an external company, which measures the commitment index, climate, employee satisfaction and other organizational aspects.



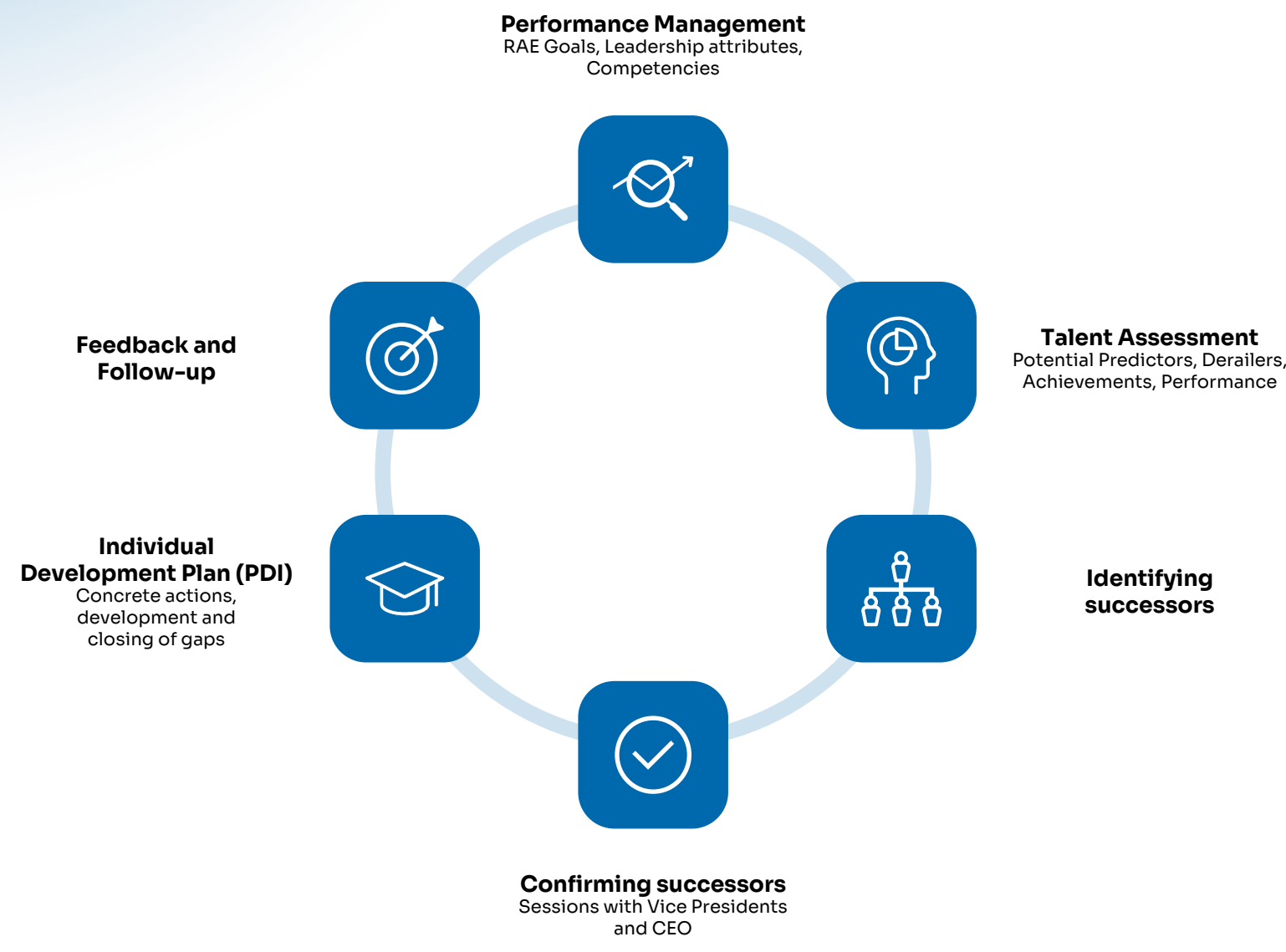
Over the last few years, thanks to everyone's commitment, we managed to develop and implement the **Copa Contigo** program, which provided resources and learning tools and guidance to our employees and former employees to help them overcome the crisis and be able to recover their stability and productivity. There were more than 70 webinars on the topics of emotional management, crisis management, personal finance, flexibility and adaptation.

In 2021, we obtained overall positive results, with 84% for commitment, 82% in satisfaction, 80% in climate and 77% in leadership, 7 points of improvement compared to 2019.



Talent management

Our Talent Management model is a process of identification, evaluation and classification of internal talent, based on the assessment of: potential predictors, competencies and leadership attributes. Together, they define or calibrate the potential of an employee.



In addition, 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.

Succession plans

At Copa Airlines, we have succession plans whose goal is to ensure the permanence, growth and continuity of the business. Through the identification of suitable talent to occupy and/or replace, in the future, our leadership and/or critical positions of the company.

We have the feedback tool called 360°, which aims to facilitate the development process of employees, to occupy positions of vice president, director and manager.



Benefits

We are committed to offering differentiating and competitive benefits, as part of our compensation, attraction, retention and well-being strategy for our employees. Here are the benefits available:

Medical insurance and free health and vaccination services	Discounts on freight forwarding and courier services	Savings funds	Unpaid leave or work permits
Free flight tickets	Subsidy for the death of a family member	Scholarships to children of employees "Despega la educación de tus hijos". (Let your children's education take flight)	Discounts in a variety of shops and restaurants
Schedule flexibility	Uniforms according to the agreements made in the various collective agreements	Transportation benefits to employees in Panama throughout the agreed routes and in the Stations that apply	Lactation rooms
	Benefits of Access to Clinics in Panama	Subsidy for eyeglasses	

Copa Contigo

We continue with the "Copa Contigo" initiative, which was born as a result of COVID-19 to support our collaborators and ex-collaborators in 4 pillars that take care of their quality of life.

- Integral health
- Social and family well-being
- Personal finance management
- Professional development

- Home
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- A





Creation of social value

At **Copa Airlines**, we are proud of our origins, we carry the heart of Panamanians and remain an economic driving force within the country. Following the principles and values that represent us, we contribute to community development and support social causes within our area of influence and scope.

As part of our social branch, we have Despega Foundation, through which we carry out volunteer activities and make donations. During 2021 we were unable to carry out this type of activities due to the COVID-19 pandemic and the readaptation that the company suffered during these years of adversity.

However, we were able to execute a couple of initiatives and provide impactful support during this period. Below we present the main actions during 2021:



304 Beneficiaries of flight tickets for humanitarian causes.



Relaunch of the Panama Stopover program to reactivate tourism in Panama.



Wingo's LGBTIQ+ plane, sending indifference flying.

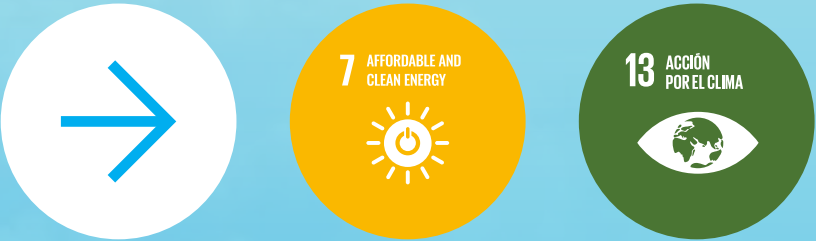


Unveiling of the “Do It In Time” Logo with an Awareness message about Breast and Prostate Cancer.



We joined the tourist vaccination program “Vacatur Panama” of the Panamanian government.

Creation of environmental value



- Introduction
- Emissions
- Use of sustainable fuel SAF
- Energy
- Materials and Waste Management



1

2

3

4

5

6

7

8

9

10

11

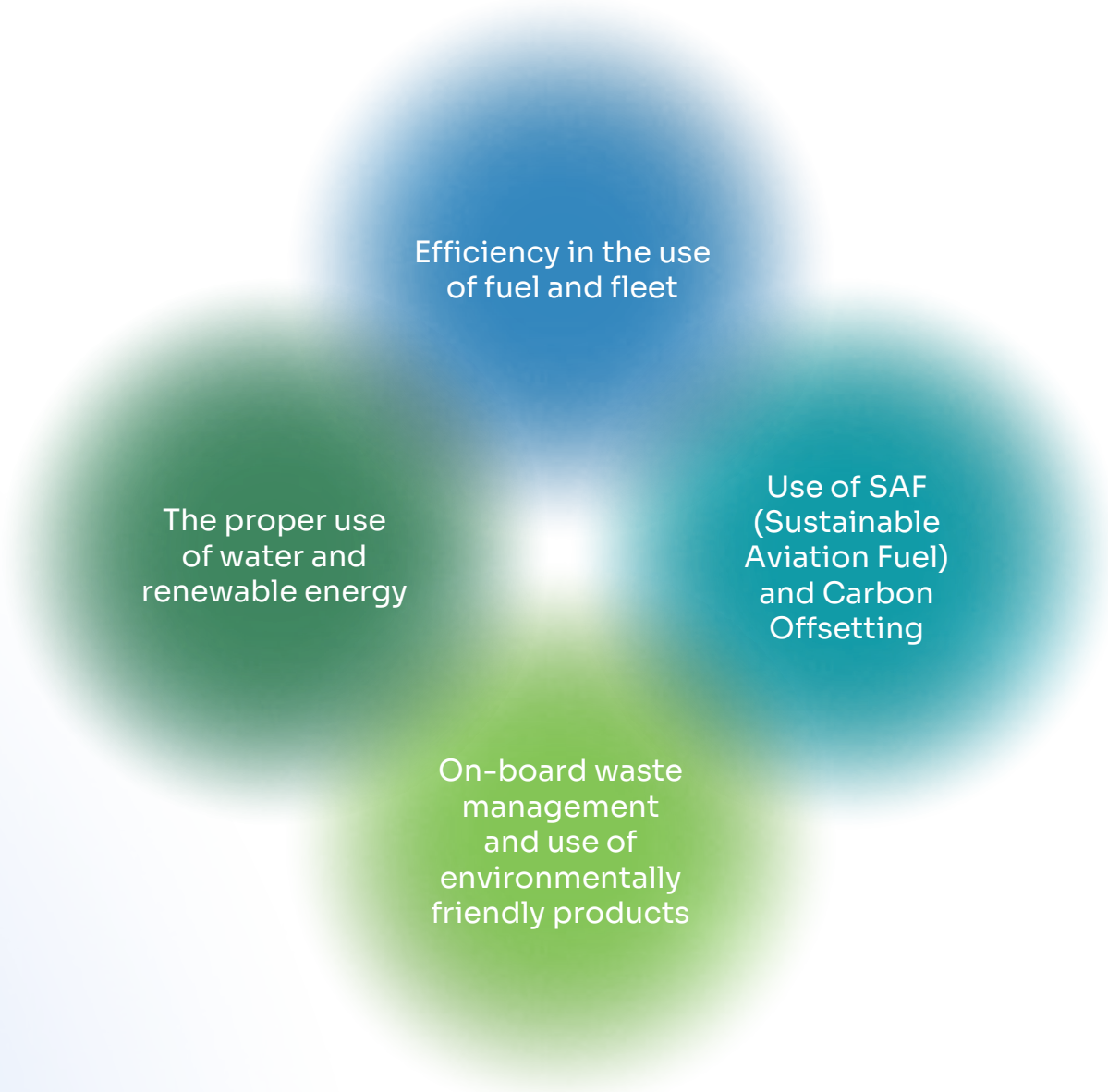
A

Introduction

↘

Given the sector in which we carry out our activities, at Copa Airlines we are aware of the environmental impact of our operations, so we are highly committed to reducing these impacts by aligning with sectoral and international commitments and initiatives related to the reduction of our carbon footprint and the efficient use of resources.

Under the framework of our Environmental Sustainability Policy, we conduct our operations under a conservation approach, seeking the preservation of natural resources. Within this framework, a plan with short, medium and long-term objectives has been developed with actions identified in 4 fundamental pillars:



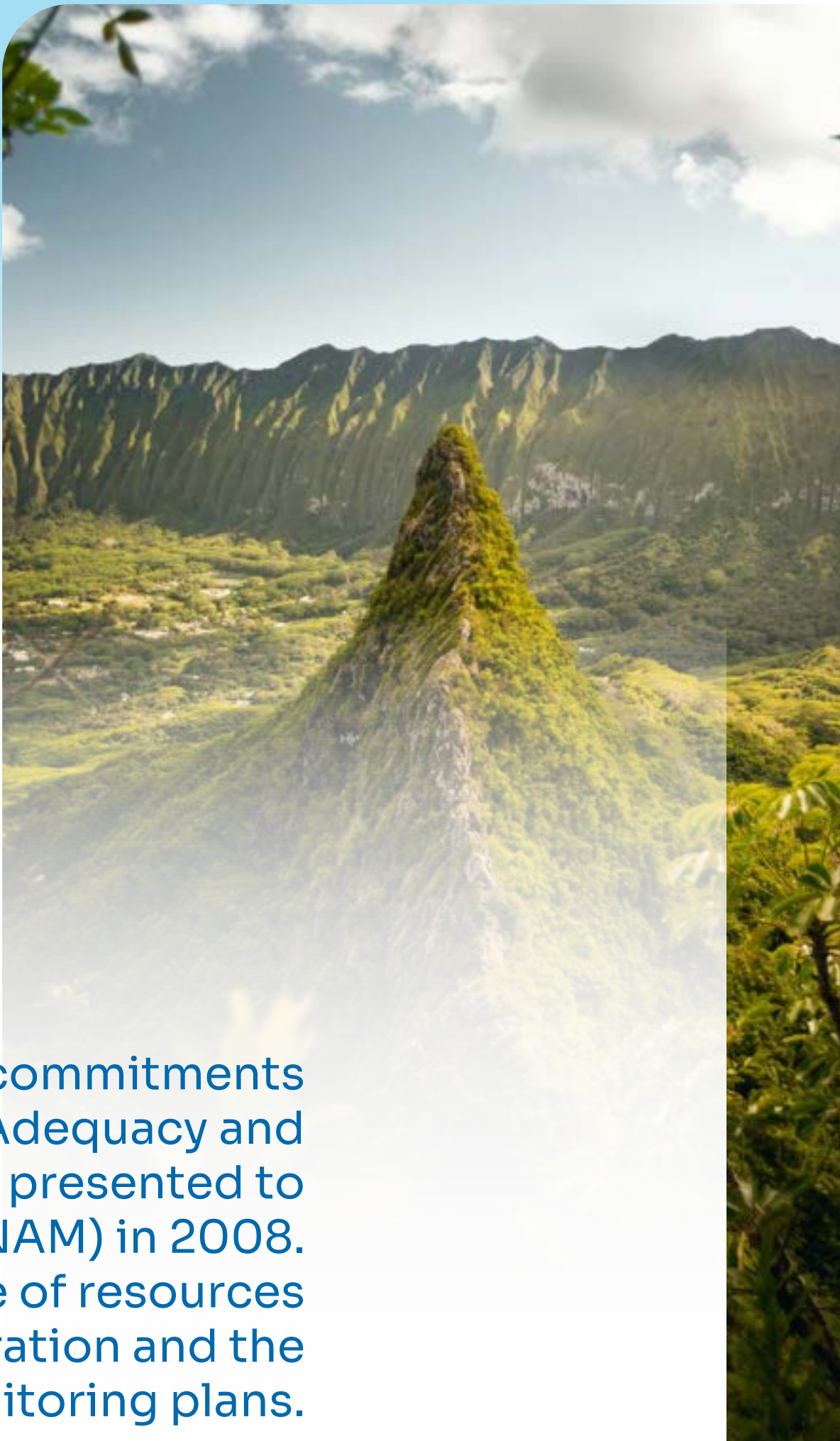
As one of our main commitments, we are setting our path to Zero Carbon by 2050, reducing our effects on climate change.

To achieve this ambitious objective, we need the participation and commitment of all stakeholders involved in the operation and performance of our activities, always aligned with the country’s regulatory framework and going beyond what the law requires of us.

That said, we have achieved progress in fulfilling our environmental commitment thanks to the implementation of the following actions:

- Environmental Sustainability Governance at the highest level of the organization, which devises the short, medium and long-term strategy.
- Environmental compliance
- Investment and technological improvements in aircraft, equipment and operational processes.
- Preventive approach that favors the conservation of the environment and ensures the preservation of natural resources, and wild flora and fauna.
- Performance evaluation and audits and practices from the Environmental Management System as well as environmental, social and governance (ESG) sustainability reports with the highest standards as defined in our manuals and policies.
- Commitment with external stakeholders to discuss commercially viable solutions to environmental problems.
- Organizational culture with a commitment to the environment and regular reports on our performance.

We note that we have covered 98.25% of the commitments acquired through the Environmental Adequacy and Management Program (PAMA), which was presented to the National Environmental Authority (ANAM) in 2008. These commitments relate to the efficient use of resources and emissions management for a clean operation and the relevant monitoring plans.



Emissions



(GRI 305-1, 305-2, 305-4, 305-5, 3-3)

SASB (TR-AF-110a.1, TR-AF-110a.2, TR-AF-110a.3, TR-AL-110a.1, TR-AL-110a.2, TR-AL-110a.3, TR-AF-430a.2)

Together with the commitment to Zero Emissions, we have developed various initiatives to mitigate them, such as:

- Reduction in the use of aircraft APU (Auxiliary Power Unit).
- Optimization of the flight plan using all the necessary resources for the execution of a flight in the most efficient way possible.
- Renewal of the fleet and the incorporation of new technologies in the aircraft.
- Reduction of the weight of some components or catering of the aircraft to make it lighter and consume less fuel.
- Acquisition of Flight Plan Manager (FPM).
- Keep the windows closed during and after landing.
- Ground support fleet maintenance program.
- Converting gasoline-powered ground equipment vehicles to a Liquefied Petroleum Gas (LPG) system.
- Electronic Flight Bags, converting pilots' manuals into electronic devices that help reduce 80 pounds in on-board manuals.

In addition, at Copa Airlines we are aligned with the global aviation effort led by the ICAO and the Civil Aviation Authorities of Colombia and Panama with the implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

Currently, we are implementing a medium-term project, starting the transition from diesel tractors to electric tractors. To do this, we conducted a careful assessment in order to choose the appropriate technology, which is based on a lithium battery. The first stage consists of the purchase of 10 electric tractors (which are estimated to help reduce approximately 157 tCO₂e per year) to test the technology and find out if they meet operational needs. If its efficiency is proved, we plan to migrate the entire tractor fleet to this technology. This change is expected to generate savings in fuel and maintenance, in addition to reducing greenhouse gas emissions.



DIRECT EMISSIONS | SCOPE 1 | (tCO₂)

	2020	2021
Air operation (Use of Jet A1 fuel)	879,804.72	1,693,855.65
Ground operation (Diesel and gasoline ATOs and Administration)	2,308.65	4,878.10
TOTAL	882,113.36	1,698,733.75

INDIRECT EMISSIONS | SCOPE 2 | (tCO₂)

	2020	2021
Use of electricity	4,189.72	4,786.12

TOTAL EMISSIONS

UNIT	2019	2020	2021
tCO ₂ eq	3,114,325.15	886,303.09	1,703,519.87

	2020	2021
Emission intensity (tonCO₂eq/KAS*)	0.07494	0.07048

* Kilometers per available seat (KAS)

Use

of

sustainable

fuel SAF



The use of sustainable and eco-efficient fuels is becoming more relevant every day, so Sustainable Aviation Fuel (SAF) is a resource for which there is a demand in the industry today. One of our pillars of environmental sustainability is the use of SAF, so in this regard we list below the main achievements during 2021, a year of considerable progress in this area:

- We operated the first flight with SAF (sustainable aviation fuel).
- We were part of an aviation industry initiative led by IATA and Boeing, to use SAF or sustainable aviation fuel on selected flights from LAX to coincide with the IX Summit of the Americas, proving our commitment to carbon neutrality by 2050.
- 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).
- Together with seven other airlines, we totaled 100,000 gallons of SAF blend for commercial flights departing from LAX, reducing emissions by 472,500 pounds (214,300 kilos) of CO₂.
- We have a fleet modernization and efficient fuel use program, which allows us to search for better routes for flight approaches and prevents the emission into the atmosphere of an estimated 3,372 tons of CO₂.

We are aware that only with a sustainable operation will future generations be able to continue connecting a world of business and opportunities through aviation with long-term sustainable communities.

Our short-term goal is to improve our fuel efficiency initiatives. By 2023, we are looking to achieve a 2% reduction compared to 2019.

Energy



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

80% of the electrical energy supplied by the State in Panama comes from renewable sources, so the use of this resource does not have a high impact on the generation of emissions; however, in line with our sustainability strategy, we foresee that in the long term our energy will come from renewable sources. As a result of this, in recent years we have implemented a 400 kW solar power generation project.

We reduced a total of 302.23 tons of CO₂eq during 2021 thanks to the use of solar energy.

ELECTRICITY CONSUMPTION (GJ)

UNIT	2019	2020	2021	ENERGY INTENSITY MJ/FLIGHTS OPERATED
kWh	10,667,504.90	7,721,879.67	8,946,193.19	729.87

We have an implementation plan for the coming months for the installation of solar panels in the Maintenance Hangar that will generate approximately 50 KWh per month, which is equivalent to the energy consumption of about 60 houses.

Materials

and waste

management

(GRI 306-1, 306-2, 306-3, 306-4, 306-5, 3-3)

Materials

The use of materials in our operation and especially on board is an issue that has kept us busy looking for eco-efficient and environmentally friendly solutions, little by little we have developed various initiatives such as the replacement of plastic stirrers with bamboo stirrers, replacing the amenity kits handed to business class passengers, which are now delivered without plastic wrap, with biodegradable products and are provided in bags made from recycled plastic bottles and the replacement of plastic cups with recyclable cups which, overall, will be replacing more 1.3 million units of plastic per year.



Waste

In addition to the efficient use of materials and the search for alternatives to them, we implement efficient waste management, ensuring its correct final disposal and, where appropriate, contributing to the circularity of the waste that can be reused and/or recycled.

During 2021 we managed to avoid the emission of more than 33,000 tons of CO₂, recycling close to 41 tons of materials.

We collect a total of 41 tons of recycling materials such as cardboard, glass, Tetra Pak, paper, polyethylene terephthalate (PET), among others, within the Copa Panama facilities.

In the same period, we recycled vehicle oil and aircraft fuel, for which we outsourced the collection of 10,801 gallons of hydrocarbons for use as an alternative fuel for other industries, thus avoiding the pollution of natural resources.

We also outsourced the collection of 435,319 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 348,255 gallons of water that were later returned to nature.

We have properly disposed of a total of 25,190 kilograms of chemical waste from Aircraft Maintenance operations.

Economic performance



- Key operational and financial data
- Generated and distributed economic value

Key

operational

and financial

data



Throughout 2021 we have focused on becoming stronger and adapting to the new normal after the crisis we experienced due to the COVID-19 pandemic, it has been a strategic year to strengthen both our operational and financial stability.

We note that, although the pandemic was a critical moment for us as a company, at no time did we stop operations or stop ensuring the quality and safety of our services, at all times guaranteeing the best experience for our customers.

In this respect, in 2020 we defined our immediate priorities which were translated into an action plan for the entire company:

SAVING THE COMPANY

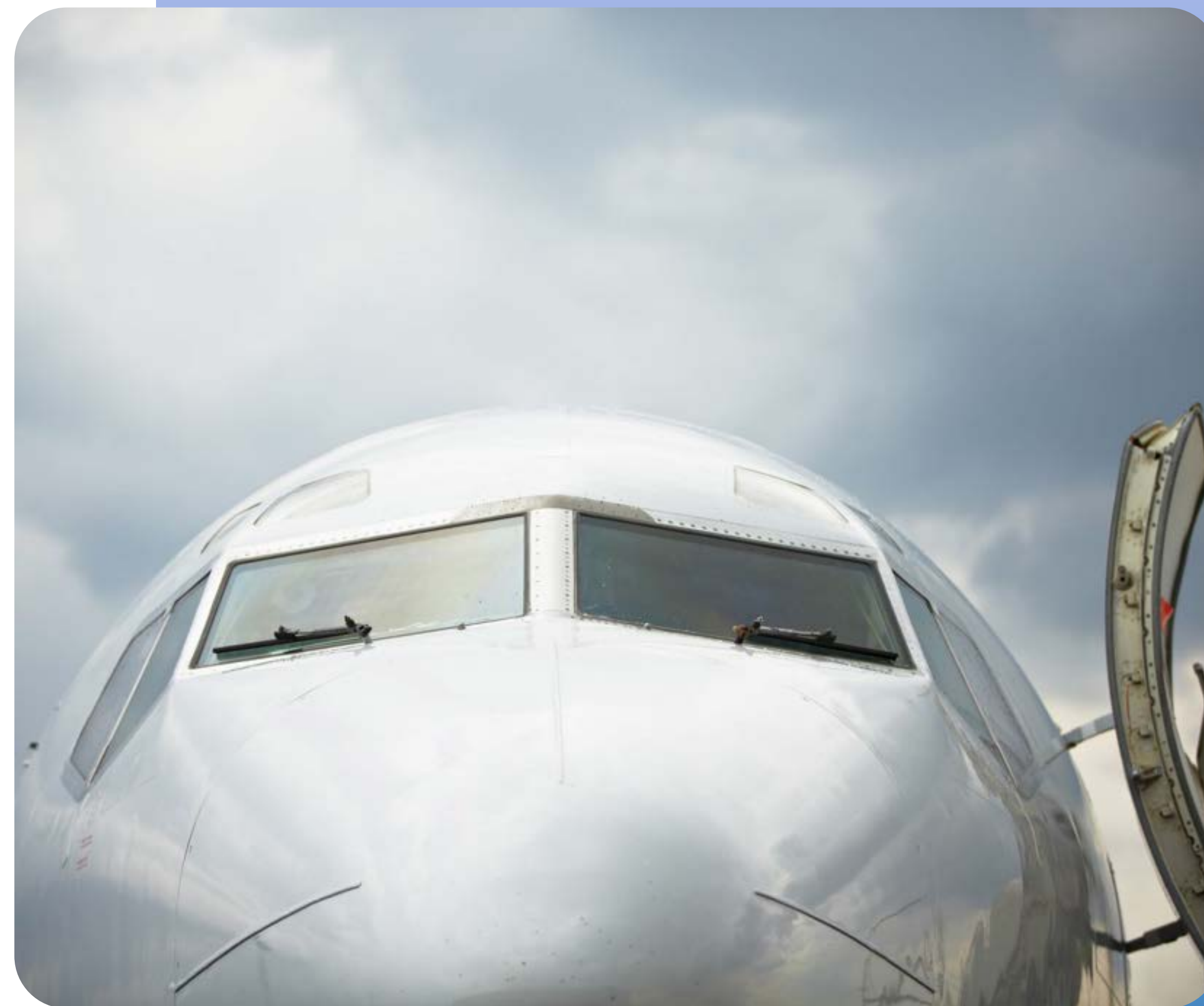
- Reducing cash consumption
- Increasing credit lines
- Renegotiating contracts with suppliers

TAKING CARE OF OUR PERSONNEL

- Enhanced voluntary retirement plans
- Special support to all personnel, including those on leave or with a contract suspension
- Frequent communication

LOOKING AFTER OUR PASSENGERS

- Humanitarian flights
- Biosecurity measures
- Flexible fares



As of June 15, 2021, we resumed service at our Hub at Tocumen International Airport. At the end of 2021, we operated at 88% of the capacity we had in December 2019, we have managed to maintain steady growth, so for 2023 we anticipate that we will surpass the operational and financial levels we had in 2019.

In 2021, we had an 88,5% increase above our 2020 operating income.

Below we present the main operational and financial results during 2021 of our passenger and cargo air services:

Air Passenger Service

Available seat miles (ASM) ²	14,934
Seat occupancy rate ³	78.6%
Flight performance ⁴ (in US cents of a dollar)	12.04

Revenue per passenger accounted for approximately US\$1.4 billion in 2021, 93.5% of Copa’s total revenue.

Copa’s cargo business generated revenue of approximately US\$71.6 million in 2021.



2 It represents the number of seats available on our aircraft multiplied by the number of miles the seats are flown.
3 It is calculated by dividing the number of revenue per passenger multiplied by the miles flown (RPM) by the ASMs.
4 It is the average amount a passenger pays to fly one mile.

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

We contribute to the development of our stakeholders through the transparent distribution of our revenue, contributing to the economy of Panama and of the countries where we are present, demonstrating our commitment to development even in crisis situations.

We present below the distribution of our generated value, the resulting difference being the capital with which the company maintains its financial stability. We do not receive financial assistance from the government.



GENERATED AND DISTRIBUTED ECONOMIC VALUE (MILLIONS OF DOLLARS)

	2019	2020	2021
Revenue (Economic Value Generated, EVG)	\$2,707,408	\$801,003	\$1,509,931
Costs and Expenses (Economic Value Distributed, EVD)	\$2,036,268	\$641,990	\$1,033,954
Operating costs and expenses	\$597,491.00	\$187,525.00	\$252,847
Salaries and benefits (to employees)	\$450,439	\$256,327	\$258,128
Payment to suppliers (includes fuels + maintenance services)	\$823,811	\$174,421	\$425,067
Payments to the government (taxes and contributions)	\$46,437	\$23,717	\$10,486
Other Administrative Expenses	\$118,090	\$ 71, 977	\$87,426
Retained (EVG-EVD)	\$671,140	\$159,013	\$475,977



1

2

3

4

5

6

7

8

9

10

11

A

Looking

towards

2022





1

2

3

4

5

6

7

8

9

10

11

A

Looking

towards

2022



In 2022 we will celebrate 75 years as a company. Under the philosophy of connecting America, we remain one of the best Latin American airlines, with the best punctuality rates on the continent. This way we contribute to families staying together, we promote tourism in the region and therefore we are part of the chain of economic spillover in Panama.

We begin the journey towards the next 25 years of Copa, remaining prepared for the challenges that lie ahead, focused on continuing to grow, maintaining the leadership we have in the region. Driven by our team which is deeply committed to Copa and the responsible development of the business.

For this reason, as part of our business continuity and the recovery of our pre-pandemic performance indicators (2019), we are more committed than ever to working on and restructuring processes and operations that allow us to meet our goals, remaining connected at all times with the environmental, social and corporate governance (ESG) pillars, driving impacts in a positive way.

To this effect, we developed our Route to Success strategy, which is composed of objectives and goals for 2022 and future years, structured into 4 pillars as shown below:

FLYING TO WIN

- Strengthen our income
- Additional income per passenger.
- Activation of tourism and increase of travelers from Panama.
- Strengthen the attractiveness of ConnectMiles.
- Start implementation of the new cargo system.

ACHIEVING COMPETITIVE COSTS

- Environment of low-cost competitors.
- New distribution strategy.
- More competitive fleet.
- Flexibility in operations, costs and financial reserves.

STRENGTHEN THE CUSTOMER EXPERIENCE

- Meeting the customer's expectations.
- Facilitate trip arrangements.
- Guarantee the experience in airports and the Hub of the Americas.
- Technology for management of irregular situations during the trip or pre-trip.
- On board experience.

WORKING AS A TEAM

- Being one of the best places to work.
- Ensuring the best talent.
- Strengthening internal communication.
- Being a company responsible with the environment (community, employees and customers).



Goals 2022
Route to success ↓



FLYING TO WIN

Revenue per available seat mile (RASM) of 10.56.



ACHIEVING COMPETITIVE COSTS

Cost per available seat mile ex fuel Copa Airlines 5.9 Cents.



STRENGTHENING CUSTOMER EXPERIENCE

NPS of 45%.



WORKING AS A TEAM

Achieving 80% in climate and 78% in leadership.



Moving to

Terminal 2

Tocumen ↓

We note that in June 2022 we will be operating from Terminal 2 of Tocumen International Airport, Panama. Expanding our operational capacity by adding 20 additional gates and 8 remote positions, in addition to those already available in Terminal 1.

T2 has a large and modern infrastructure with 38 counters for Copa Airlines passengers and baggage check-in, distributed in a comfortable space of more than 1,500 m2. The Airline is also incorporating 22 self-service kiosks that will facilitate the check-in process for flights.

In addition, Copa Airlines will launch its new and modern **Copa Club**, aimed at passengers who are members of the ConnectMiles frequent flyer program with PreferMember Gold, Platinum and Presidential status, passengers traveling in Business Class and Star Alliance Gold passengers, who will be able to enjoy the spacious, innovative and modern area which is almost 2,000 square meters and can hold more than 400 people.

Copa

Connect



By September 2022, the new Copa Connect distribution platform will be implemented, which will help us unify the booking system and the use by agencies.

It will allow the analysis of data such as sales reports and passenger profiles. This will allow us to streamline processes in addition to more easily identifying the type of customer and sale that will help us improve the travel experience from start to finish.



As part of our commitment to sustainable development, and the responsibility we have over the impact of our operations and the environment, we also set goals related to the environmental, social and corporate governance pillars, among which we highlight the following:

Environmental

The environmental impact we have as an airline is of great relevance, which is why we have a greater responsibility to mitigate and reduce our impacts, contributing to reduce them for the sake of climate change, taking care of and preserving resources, as well as reducing our emissions and waste.

Under this premise, we are committed to the Net Zero Carbon initiative by 2050, which requires from all parties involved in our value chain, as well as significant investments in technological innovations and process efficiency.

MAIN GOALS:

- By 2023, we are looking to achieve a 2% reduction compared to 2019, in fuel use.
- Increasing the use of solar energy by 50 KWH per month by 2022.
- Implementation of the fleet renewal action plan for aircraft with lower carbon emissions.
- Acquisition of electric ground support vehicles.
- In 2022, we launch the initiatives for the reduction of single-use plastics on board our aircraft, replacing them with biodegradable products.
- First flight with use of SAF.

Social

The impact we have towards communities and society in general is related to the responsibility we have on the influence of the business and the scalability of the initiatives we can implement for social development and to contribute to local economies.

That said, as part of our social branch, we rely upon *Fundación Despega* for the pillars of support for children, education and health.

MAIN GOALS:

- Reactivation of activities, donations and volunteering with Despega Foundation, which were suspended due to the 2022 pandemic.
- Investment of more than 1 million dollars (USD). Strengthening of the Latin American Academy of Higher Aviation (ALAS) and our School of Aviation Mechanics. We plan to graduate 94 aeronautical technicians and more than 40 pilots this 2022.
- Copa Academy, a new learning platform for employees, will implement 17 training programs during 2022 on the platform for the operational areas.
- Reactivation of Copa Salud clinics in 2022, continuing with the emergency support line for employees.
- Return of more than 1,000 employees who left on voluntary retirement plans due to the COVID-19 pandemic, representing more than 90% of the employees who took this retirement, committed to our rehiring promise that we made during the pandemic.
- We continue to strengthen our diversity and inclusion program, as well as our corporate culture in this respect, in order to have spaces free of biases and suitable for everyone.

Corporate

Governance

As part of the way we do what we do, from our origins we have been governed by strict internal compliance rules and we have forged a culture of respect, responsibility, and ethics which represent us as an organization and that we permeate into each of our stakeholder groups.

MAIN GOALS:

- Under Copa Academy, some corporate trainings such as the Code of Ethics and Emergency Response will be digitized during 2022.

Annexes



- Annex I: Detail on ESG management
 - a. Relationship with Stakeholders (S)
 - b. Contribution to the SDGs
 - c. Contribution to the 10 Principles of the UN Global Compact
- Annex II: Reporting frameworks
 - a. GRI table of contents
 - b. SASB table of parameters

AI

a.

Relationship

with

stakeholders (S)

(GRI 2-30)

At Copa Airlines, we are aware of the importance that our stakeholders have in the company's performance. We remain attentive to the expectations and perception they have of us, generating strategies to maintain our value proposition towards each of them through our activities.

We understand an interest group or stakeholder to be all those actors that are impacted by the development of our activity and/or that influence our performance, including our financial goals and ESG (environmental, social and governance) priorities.

That said, we have mapped out the stakeholders, as well as the dialogue mechanisms to facilitate and enhance communication and transparency with each of them.



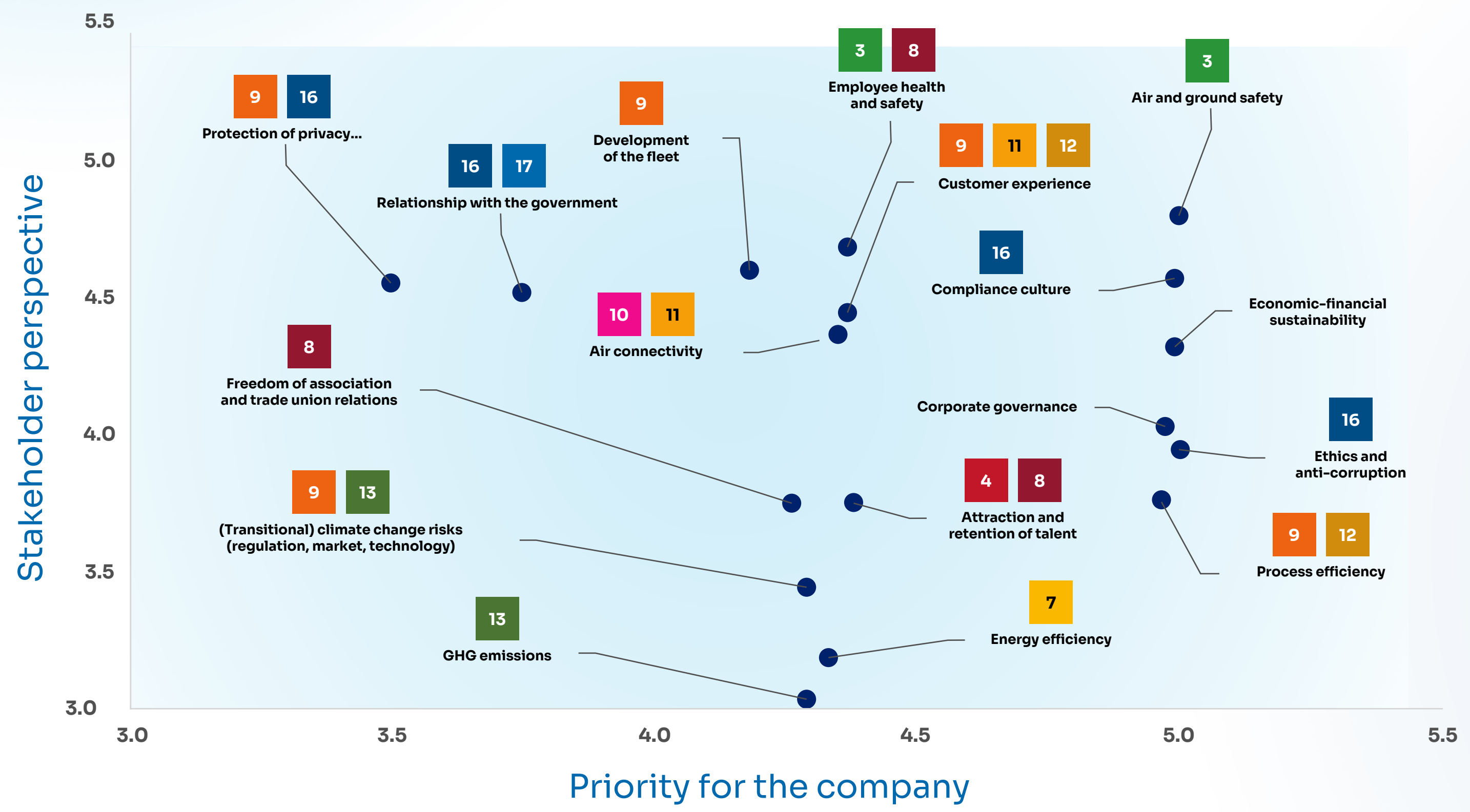
CHANNELS AND MAIN STAKEHOLDERS OF COPA AIRLINES

STAKEHOLDER (S)	VALUE PROPOSITION	CHANNELS
Employees	To guarantee a healthy work environment with opportunities for professional development and growth, including training and leadership, in conjunction with an organizational culture based on trust, respect and transparency, both for internal employees as well as for third parties. We ensure their health, safety as well as well-being through various benefits.	↳ Intranet ↳ E-mails ↳ Signs in shared areas ↳ Ethical line ↳ On-site and online trainings ↳ Performance evaluations
Customers	To provide a service of excellence to our customers by improving customer experience in any of the products and services offered by Copa Airlines, providing everything necessary to meet their needs, always ensuring their health and safety.	↳ Website ↳ E-mails ↳ Social media ↳ Satisfaction survey ↳ Mobile app ↳ Care modules ↳ Counters
Industry and general suppliers	To guarantee transparent and fair purchases under quality standards which contribute to the development of both parties, generating sustainable relationships over time.	↳ E-mail ↳ Performance and acquisition evaluations ↳ Area of Procurement/ administration ↳ Website
Unions	To provide support to trade union organizations as they are essential actors in the negotiation and social dialogue spaces of Copa Airlines.	↳ Reports of results ↳ Public partnerships ↳ Open dialogue ↳ Website
Shareholders	To ensure their investment, through the constant growth of the business and transparency in the company's decision-making and financial results.	↳ Board of Directors ↳ Quarterly Results Report ↳ Financial Reports ↳ Website ↳ Daily
Business partners	To maintain strategic partnerships that allow us 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	Copa Airlines complies with the applicable legislation in force, and remains abreast of regulatory updates in the countries where it operates. This is how the rights of customers and other stakeholders are safeguarded.	↳ Reports of results ↳ Public partnerships ↳ Open dialogue ↳ Website
Community	To contribute to social development through connectivity and focusing on meeting the needs of children, education and health.	↳ Social media ↳ Website ↳ Regular meetings ↳ Open dialogue
Mass Media	To provide transparent information on ESG performance to the media.	↳ Phone calls ↳ Public partnerships ↳ Open dialogue ↳ Website
Financing banks	To move forward hand in hand with their requirements, promoting the management of environmental, social and governance (ESG) aspects. Their support is key in consolidating the company's efforts.	↳ Reports of results ↳ Annual report ↳ Quarterly financial information ↳ Open dialogue ↳ Website
NGOs	To support various non-profit organizations in volunteer initiatives, mainly framed in the strengthening and promotion of a better corporate social responsibility towards children, education and the environment.	↳ Open dialogue ↳ Regular meetings ↳ Website ↳ Phone calls

AI b. Contribution to the SDGs

We have a business model developed through a sustainable approach and the creation of shared value, through which we seek to contribute to solving the current problems that arise in society and in the world. We seek to increase our contribution to the Sustainable Development Goals (SDGs), established by the United Nations.

We prioritize those SDGs where we can contribute the most due to our type of business, operation and the various audiences we serve. It involves those SDGs related to material issues, which are also the basis of our sustainability management.



Relationship with the SDGs



SDG 17 is presented in a cross-sectional way for its focus on partnerships, which is of value to address the various material issues.

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

CONTRIBUTION TO SDGS TABLE

SDGS	MATERIAL ISSUES	CONTRIBUTION	INDICATORS	SDGS	MATERIAL ISSUES	CONTRIBUTION	INDICATORS
3 Good health and well-being	➤ Health and safety of employees ➤ Air and ground safety	Our priority is to ensure the well-being of employees, providing optimal working conditions that guarantee their physical and emotional health. We are focused on maintaining a healthy workforce in every way, through 3 pillars of occupational health: Prevention and promotion of employee health, employee health surveillance and reintegration and reinsertion. We implement programs of surveillance and care at the workplace for all our employees.	0 serious cases of accident or illness in our workforce. The accident incidence rate was 4.2. 304 beneficiaries of air tickets for humanitarian causes. 0 relevant incidents in our operations that affected Copa Airlines' service, or that put our employees and customers at risk.	10 Reduce inequalities	➤ Freedom of association and trade union relations	As noted above, we promote job stability and support for trade union organizations. (Complementary to SDG 8)	42% of managerial positions are occupied by women. +1000 female pilots
4 Quality education	➤ Talent attraction and retention	We promote and foster the technical and operational knowledge necessary to develop the activities with the highest quality and rigorousness. We ensure a career plan within the organization under meritocracy and good teamwork guidelines. We implemented Copa Academy, a modern corporate training platform designed to develop the skills of our employees through training and continuous digital learning. We have trained within the framework of the Service Academy in the areas of On-Board Service, Passenger Service, CTO, Commercial and Call Center.	Copa Academy offers more than 600 training programs and modules to employees. More than 1400 people trained in Panama and Stations with the Customers First program. More than 70 webinars on topics of emotional management, crisis management, personal finance, flexibility and adaptation, within the <i>Copa Contigo</i> program.	11 Sustainable Cities and Communities	➤ Air connectivity	We are committed to supporting the social development of communities, through connectivity, with a focus on supporting social causes within our area of influence and scope.	Wingo's LGBTQ+ Plane Initiative. 304 beneficiaries of air tickets for humanitarian causes.
7 Affordable and clean energy	➤ Energy efficiency	In line with our sustainability strategy, we seek that in the long term all our energy source comes from renewable sources.	In recent years we have implemented a 400 kW solar power generation project. We reduced a total of 302.23 tons of CO ₂ eq during 2021 thanks to the use of solar energy.	12 Responsible consumption and production	➤ Efficiency of processes	At Copa Airlines we are aware of the impact that our value chain has on the company's operations, so we maintain a high commitment to our supply chain by making purchasing processes more efficient, conducting risk assessments and drafting fair contracts for both parties. We are aware of the environmental impact of our operations, so we are highly committed to reducing these impacts through alignment with sectoral and international commitments and initiatives related to the efficient use of resources.	100% of our suppliers know the Code of Ethics. We have covered 98.25% of the commitments acquired in the Environmental Adequacy and Management Program (PAMA).
8 Decent work and economic growth	➤ Freedom of association and trade union relations ➤ Talent attraction and retention ➤ Health and safety of employees	We promote job stability and access to various benefits that contribute to their well-being. We also ensure a career plan within the organization under meritocracy guidelines and good teamwork. We are committed to offering differentiating and competitive benefits, as part of our compensation, attraction, retention and well-being strategy for our employees.	6127 employees as of 2021. We increased our workforce compared to last year by 5.4%. Resulting from the work environment surveys we obtained an 84% in commitment, 82% in satisfaction, 80% in climate and 77% in leadership and 7 points of improvement compared to 2019.	13 Climate action	➤ Climate change risks ➤ GHG emissions	We are committed to generating the least impact on the environment, through the correct management of GHG emissions. In addition, at Copa Airlines we are aligned with the global aviation effort led by the ICAO and the Civil Aviation Authorities of Colombia and Panama with the implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). One of our pillars of environmental sustainability is the use of SAF, below we list the main achievements during 2021. (Complementary to SDG 7)	Together with seven other airlines, we totaled 100,000 gallons of SAF blend for commercial flights departing from LAX, reducing emissions by 472,500 pounds (214,300 kilos) of CO ₂ . In partnership with Boeing, we acquired 39,000 lb. of SAF. We managed to avoid the emission of more than 33,000 tons of CO ₂ , recycling about 41 tons of materials. (See SDG 7)
9 Industry innovation and infrastructure	➤ Privacy protection ➤ Climate change risks ➤ Fleet development ➤ Efficiency in our 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 related stakeholders. We have implemented a fleet renewal action plan for aircraft with lower carbon emissions. We rely on digital tools that improve the passenger experience, facilitating interaction with the traveler and improving the efficiency of internal processes.	Absence of cybersecurity incidents with data theft. We have a Risk Management Committee. We achieved an NPS of 35.4%. Fleet modernization and efficient fuel use program that avoids the emission into the atmosphere of an estimated 3,372 tons of CO ₂ .	16 Peace justice and strong institutions	➤ Privacy protection ➤ Government relationship ➤ Compliance culture ➤ Economic-financial sustainability ➤ Ethics and anti-corruption	Our Code of Ethics and Business Conduct, along with the rest of the policies that expand on the themes, serve as self-regulation for our employees. We also provide training in order to prevent possible risks and to strengthen the organizational culture of ethics.	At the moment, 100% of the employees are trained in ethics and compliance. During 2021 we had no complaints that warranted a major warning call or contract termination measures. During 2021 we had no sanctions or fines related to corruption or money laundering issues. 100% of our suppliers know the Code of Ethics.

AI

c.

Contribution

to the

Ten Principles of

the UN Global Compact

(GRI 2-28)

5 years ago we joined the United Nations Global Compact, with the aim of being aligned with an international initiative to promote good practices that contribute to sustainable development. Under the implementation of its ten principles, Copa Airlines maintains its commitment to this global initiative. Below, we present our performance for compliance with each of the principles.

PRINCIPLE	COMMITMENTS	PERFORMANCE (PRESENTED THROUGHOUT THE REPORT)
1. Companies should support and respect the protection of human rights.	Code of Ethics and Business Conduct The code of ethics and business conduct establishes various policies and guidelines for: ➤ Conflict of Interest. ➤ Equal opportunities and equal treatment. ➤ Transparency, zero (0) tolerance to illegal acts. ➤ Prevention of sexual exploitation of children, adolescents and people trafficking or trade (trafficking or trade with persons). ➤ Whistle-blowing.	➤ Ethics and compliance culture ➤ Responsible supply chain ➤ Employees
2. Companies should make sure that they are not involved in human rights violations.	Complaints Channel, Copa Escucha (Copa Listens) Ethics and Business Conduct Committee We share the Code of Ethics and Business Conduct through our Communication channels and Corporate Training. Compliance Program. We have Third Party Due Diligence which is part of the Compliance Policy. Diversity and inclusion policy. Diversity and Inclusion Committee.	
3. Companies should support the freedom of affiliation and the effective recognition of the right to collective bargaining.	Code of Conduct and Business Conduct. Internal working regulations. Talent Management Policy. Organizational Climate and Commitment Survey.	➤ Employees
4. Companies should advocate for the elimination of all forms of forced or compulsory labor.	Personal integrity policy. Program for the prevention of musculoskeletal disorders and ergonomics. Hearing conservation program.	➤ Ethics and compliance culture ➤ Responsible supply chain ➤ Employees
5. Companies should advocate for the effective abolition of child labor.	On-the-job illness or accident care program. Alcohol and drug prevention program (PADA). Third Party Due Diligence that is part of the Compliance Policy.	
6. Companies should advocate for the elimination of discrimination in respect of employment and occupation.	Code of Conduct and Business Conduct. Internal working regulations. Talent Management Policy. Organizational Climate and Commitment Survey.	➤ Ethics and compliance culture ➤ Employees

PRINCIPLE	COMMITMENTS	PERFORMANCE (PRESENTED THROUGHOUT THE REPORT)
7. Companies should support a preventive approach to environmental challenges.	Environmental Sustainability Policy. Environmental compliance. Environmental Management System performance and practices audits. Efficient waste management.	➤ Creation of environmental value
8. Companies should undertake initiatives to encourage greater environmental responsibility.	Program of Adequacy and Environmental Management. Carbon offsetting and reduction scheme for international aviation (CORSIA). Use of sustainable fuel SAF. Fleet modernization and efficient fuel use program. Eco-efficient and environmentally friendly materials.	➤ Creation of environmental value
9. Companies should promote the development and dissemination of environmentally friendly technologies.	Reduction in the use of aircraft APU (Auxiliary Power Unit). Optimization of the flight plan using all the necessary resources for the execution of a flight in the most efficient way possible. Renewal of the fleet and the incorporation of new technologies in the aircraft. Reduction of the weight of some components or catering of the aircraft to make it lighter and consume less fuel. Acquisition of Flight Plan Manager (FPM). Keep the windows closed during and after landing. Ground support fleet maintenance program. Converting gasoline-powered ground equipment vehicles to a Liquefied Petroleum Gas (LPG) system. Electronic Flight Bags, converting pilots' manuals into electronic devices that help reduce 80 pounds in on-board manuals.	➤ Creation of environmental value
10. Companies should work against corruption in all its forms, including extortion and bribery.	Code of Ethics and Business Conduct. Compliance program. Legal Compliance Committee. Conflict of Interest Policy. Transparency policy, zero (0) tolerance to illegal acts. Whistle-blowing policy. Gift Acceptance policy. Complaints Channel, Copa Escucha (Copa Listens). Third Party Due Diligence that is part of the Compliance Policy.	➤ Ethics and compliance culture ➤ Responsible supply chain ➤ Employees



1

2

3

4

5

6

7

8

9

10

11

A

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		11
	GRI 2-3	Reporting period, frequency and contact point		5
	GRI 2-4	Restatements of information		5
	GRI 2-5	External assurance		5
Activities and workers	GRI 2-6	Activities, value chain and other business relationships		11,12,37
	GRI 2-7	Employees		46
	GRI 2-8	Workers who are not employees		46
Governance	GRI 2-9	Governance structure and composition		21, 22
	GRI 2-10	Nomination and selection of the highest governance body		21
	GRI 2-11	Chair of the highest governance body		22
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts		26
	GRI 2-13	Delegation of responsibility for managing impacts		26, 27
	GRI 2-14	Role of the highest governance body in sustainability reporting		5
	GRI 2-15	Conflicts of interest		23, 33
	GRI 2-16	Communication of critical concerns	Confidential due to internal company guidelines.	
	GRI 2-17	Collective knowledge of the highest governance body		24
	GRI 2-18	Evaluation of the performance of the highest governance body		49
	GRI 2-19	Remuneration policies		24
	GRI 2-20	Process to determine remuneration		24
	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
	GRI 2-23	Policy commitments		31, 32, 33, 34, 57
	GRI 2-24	Embedding policy commitments		34, 57
	GRI 2-25	Processes to remediate negative impacts		33, 42
	GRI 2-26	Mechanisms for seeking advice and raising concerns		31, 32, 33, 34
	GRI 2-27	Compliance with laws and regulations		35
	GRI 2-28	Membership associations		15, 28
Stakeholder engagement	GRI 2-29	Approach to stakeholder engagement		46
	GRI 2-30	Collective bargaining agreements		70
GRI 3: Material issues 2021				
	GRI 3-1	Process to determine material topics		18
	GRI 3-2	List of material topics		19
	GRI 3-3	Management of material topics	It is presented transversally throughout the report, as the management information of the different material topics is presented.	



All

a.

Index

GRI



1

2

3

4

5

6

7

8

9

10

11

A

MATERIAL TOPICS	GRI STANDARS	GRI CONTENT	DESCRIPTION	PAGE	OMISSION
Economic – financial sustainability	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	64	
		201-1	Direct economic value generated and distributed	64	
	GRI 201: ECONOMIC PERFORMANCE 2016	201-2	Financial implications and other risks and opportunities due to climate change	29	
		201-3	Defined benefit plan obligations and other retirement plans	45, 53	
		201-4	Financial assistance received from government	64	
Fleet development	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	11	
Air connectivity	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	11	
	GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-1	Infrastructure investments and services supported	64	
Climate change risks	GRI 3: MATERIAL TOPICS 2021	203-2	Significant indirect economic impacts	37, 55, 64	
Corporate Governance	GRI 3: MATERIAL TOPICS 2021	GRI 3-2	Management of material topics	29	
Ethics and anti-corruption	GRI 3: MATERIAL TOPICS 2021	GRI 3-2	Management of material topics	21	
		GRI 3-2	Management of material topics	21	
	GRI 205 ANTI-CORRUPTION 2016	205-1	Operations assessed for risks related to corruption	28, 37	
		205-2	Communication and training about anti-corruption policies and procedures	37	
		205-3	Confirmed incidents of corruption and actions taken	35	
Energy efficiency	GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	35	
		GRI 3-3	Management of material topics	59	
	GRI 302: ENERGY 2016	302-1	Energy consumption within the organization	59	Not applicable, due to the type of COPA operation.
		302-2	Energy consumption outside of the organization	NA	
		302-3	Energy intensity	59	
		302-4	Reduction of energy consumption	59	
		302-5	Reductions in energy requirements of products and services	59	
GHG emissions	GRI 305: EMISSIONS 2016	GRI 3-3	Management of material topics	59	
		305-1	Direct (Scope 1) GHG emissions	58	Not available, work is being done to include it in the report.
		305-2	Energy indirect (Scope 2) GHG emissions	58	
		305-3	Other indirect (Scope 3) GHG emissions	NA	
		305-4	GHG emissions intensity	58	Not available, work is being done to include it in the report.
		305-5	Reduction of GHG emissions	58	
		305-6	Emissions of ozone-depleting substances (ODS)	NA	
Process efficiency	GRI 3: MATERIAL TOPICS 2021	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	NA	Not available, work is being done to include it in the report.
		GRI 3-3	Management of material topics	60	
	GRI 306: WASTE 2020	306-1	Waste generation and significant waste-related impacts	60	
		306-2	Management of significant waste-related impacts	60	
		306-3	Waste generated	60	
		306-4	Waste diverted from disposal	60	
		306-5	Waste directed to disposal	60	

MATERIAL TOPICS	GRI STANDARS	GRI CONTENT	DESCRIPTION	PAGE	OMISSION
Government relationship	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	64	
Culture of compliance	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	31	
	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	51	
Employee health and safety	GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1	Occupational health and safety management system	51	
		403-2	Hazard identification, risk assessment, and incident investigation	51	
		403-3	Occupational health services	51	
		403-4	Worker participation, consultation, and communication on occupational health and safety	51	
		403-5	Worker training on occupational health and safety	51	
		403-6	Promotion of worker health	51	
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	51	
		403-8	Workers covered by an occupational health and safety management system	51	
		403-9	Work-related injuries	51	
		403-10	Work-related ill health	51	
Attraction and retention of talent	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	46	
		401-1	New employee hires and employee turnover	46	
	GRI 401: EMPLOYMENT 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	53	
		401-3	Parental leave	NA	Not available, work is being done to include it in the report.
	GRI 404: TRAINING AND EDUCATION 2016	404-1	Average hours of training per year per employee	NA	Not available, work is being done to include it in the report.
			Programs for upgrading employee skills and transition assistance programs	47, 48	
		404-3	Percentage of employees receiving regular performance and career development reviews	49	
	GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	24, 46, 50	
		405-2	Ratio of basic salary and remuneration of women to men	NA	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	50	
Freedom of association and union relations	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	46	
	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	46	
Air and ground safety	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	41	
	GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1	Assessment of the health and safety impacts of product and service categories	26, 41, 42, 43	
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	42, 43	
Customer experience	GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	39	
Data privacy protection and cybersecurity	GRI 3: MATERIAL TOPICS 2021	GRI 3-4	Management of material topics	40	
	GRI 418: CUSTOMER PRIVACY 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	33,40	



All

b.

SASB

table

of

parameters



1

2

3

4

5

6

7

8

9

10

11

A

SECTOR	TOPIC	CODE	DESCRIPTION	PAGE	OMISSION
AIR FREIGHT AND LOGISTICS	Activity Metrics	TR-AF-000.A	Revenue ton kilometers (RTK) for: air transport	64	
	Activity Metrics	TR-AF-000.B	Load factor for: air transport	NA	Not available
	Activity Metrics	TR-AF-000.C	Number of employees	46	
		TR-AF-110a.1	Gross global Scope 1 emissions	58	
	Greenhouse Gas Emissions	TR-AF-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	68	
		TR-AF-110a.3	(1) Total fuel consumed, (2) percentage alternative, (3) percentage sustainable	59	
	Air Quality	TR-AF-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	NA	Not available
	Labor Practices	TR-AF-310a.1	Percentage of drivers classified as independent contractors	NA	Not applicable
		TR-AF-310a.2	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	NA	Not available
	Employee Health & Safety	TR-AF-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	51	
	Supply Chain Management	TR-AF-430a.1	Percentage of carriers with BASIC percentiles above the FMCSA intervention threshold	NA	Not applicable
		TR-AF-430a.2	Total greenhouse gas (GHG) footprint across transport modes	58	
		TR-AF-540a.1	Description of implementation and outcomes of a Safety Management System	42	
	Accident & Safety Management	TR-AF-540a.2	Number of aviation accidents	43	
		TR-AF-540a.3	Number of road accidents and incidents	NA	Not applicable
		TR-AF-540a.4	Safety Measurement System BASIC percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance	NA	Not applicable
AIRLINES	Activity Metrics	TR-AL-000.A	Available seat kilometers (ASK)	NA	Not available
	Activity Metrics	TR-AL-000.B	Passenger load factor	63	
	Activity Metrics	TR-AL-000.C	Revenue passenger kilometers (RPK)	63	
	Activity Metrics	TR-AL-000.D	Revenue ton kilometers (RTK)	63	
	Activity Metrics	TR-AL-000.E	Number of departures	39	
	Activity Metrics	TR-AL-000.F	Average age of fleet	NA	Not available
		TR-AL-110a.1	Gross global Scope 1 emissions	58	
	Greenhouse Gas Emissions	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	68	
		TR-AL-110a.3	(1) Total fuel consumed, (2) percentage alternative, (3) percentage sustainable	59	
	Labor Practices	TR-AL-310a.1	Percentage of active workforce covered under collective bargaining agreements	46	
		TR-AL-310a.2	(1) Number of work stoppages and (2) total days idle	NA	Not available
	Competitive Behavior	TR-AL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	35	
		TR-AL-540a.1	Description of implementation and outcomes of a Safety Management System	42	
	Accident & Safety Management	TR-AL-540a.2	Number of aviation accidents	43	
		TR-AL-540a.3	Number of governmental enforcement actions of aviation safety regulations	43	



A STAR ALLIANCE MEMBER 

Sustainability

Report



2021