

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF COPA HOLDINGS, S.A.

1. PURPOSE

The Audit Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Copa Holdings, S.A. (the “Company”). Its primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing : the integrity of financial reports and other financial information made available to the public or any regulator or governmental body ; the effectiveness of the Company’s internal financial control and risk management systems ; the effectiveness of the internal audit function ; the independent audit process including direct responsibility for the appointment, compensation and evaluating the performance of the independent auditor ; and the compliance with laws and regulations as well as policies and ethics that management and the Board have established.

Notwithstanding the responsibilities set forth in this charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company’s financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditors.

2. AUTHORITY

The Committee is fully empowered by the Board to:

- 2.1. Perform all activities within the scope of its charter and any other that the Board may determine from time to time.
- 2.2. Have unrestricted access to members of management, employees and relevant information at any time as appropriate.
- 2.3. Engage outside legal, accounting or other independent advisors or consultants as necessary to carry out its duties.
- 2.4. Establish procedures for (i) the receipt, retention and treatment of concerns or complaints from employees or third parties regarding accounting, internal controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- 2.5. Be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including oversight of resolution of disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the listed issuer, and each such registered public accounting firm must report directly to the audit committee.
- 2.6. Approve in advance any audit or non-audit engagement or relationship between the independent auditors and the Company, other than “prohibited non-auditing services”.

3. ORGANIZATION

MEMBERSHIP

3.1. The Committee shall be comprised of at least three members of the Board , each of whom shall be appointed by the Board based on nominations recommended by the Company's Nomination and Governance Committee , and shall serve for such term or terms as the Board may determine . The chairman of the Committee shall also be appointed by the Board.

3.2. Members of the Committee shall be independent non-executive directors of the Company within the meaning of the applicable laws prevailing in the USA and the Republic of Panama, and the applicable rules of the SEC and the New York Stock Exchange (the "NYSE") (including the Sarbanes-Oxley Act of 2002, as amended (the "Act"), the Securities and Exchange Act of 1934, as amended and the Comisión Nacional de Valores of Panama (the "CNV"). The determination of a director's independence shall be made by the Board.

3.3. Each member of the Committee shall be financially literate and at least one member must be considered a "financial expert" within the meaning of Item 407(d)(5)(ii) of Regulation S-K, as determined by the Board.

3.4. The members of the Committee may not receive any compensation from the Company other than director's fees for service as a director of the Company, including reasonable compensation for serving on the Committee and regular benefits that other directors receive, as determined by the Board from time to time.

3.5. The members of the Committee shall not serve on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee.

MEETINGS

3.6. The committee shall meet at least four (4) times a year, or more frequently as circumstances dictate. These meetings may be combined with regularly scheduled Board meetings or more frequently as necessary. In addition, the Committee should meet with the independent auditors, internal audit and senior management quarterly to review the Company's financial statements.

3.7. Meetings may be called by any member of the Committee or by the Chairman of the Board by giving reasonable notice.

3.8. Only Committee members are entitled to attend meetings. The Committee may ask members of management or others to attend the meetings and provide pertinent information as necessary.

3.9. The Committee shall conduct separate executive sessions with the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), the independent auditors, the Chief Audit Executive ("CAE") , the general counsel or legal counsel, and anyone else as desired by the Committee.

3.10. The quorum for meetings shall be a majority of the members, present in person or by teleconference or other telecommunications mechanism by means of which all persons participating in the meeting can speak and hear each other. In the absence of the chairman of the Committee, the members present shall appoint an acting chairman.

3.11. Any resolution of the Committee requires the affirmative vote of the majority of the Committee members present in a meeting having quorum. The Committee may also act by a unanimous written consent of its members without a meeting.

3.12. The chairman of the Committee will establish the agenda for each Committee meeting in consultation with the other members of the Committee. The agenda and materials relating thereto will be sent to the other Committee members in advance of each meeting.

3.13. The Secretary shall keep minutes of all meetings of the Committee and circulate them to the members of the Committee immediately after each meeting. The minutes will be approved not later than at the next subsequent meeting of the Committee. Once approved, the Secretary will circulate the minutes to all directors and to the Secretary of the Board who should keep the records of meetings of the Committee.

4. DUTIES AND RESPONSIBILITIES

The Committee will:

FINANCIAL REPORTING

4.1. Review with the independent auditors, management and the internal auditors, the integrity of the Company's financial reporting processes, both internal and external. In connection with this review, the Committee should obtain and discuss with management and the independent auditor reports from management and the independent auditor regarding: (i) significant accounting practices of the Company, including all critical accounting policies, accounting estimates and financial statement disclosures; (ii) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including all alternative disclosures in and treatments of financial information within generally accepted accounting principles that have been discussed with the Company's management, the ramifications of the use of the alternative disclosures and treatments, and the treatment preferred by the independent auditor; (iii) major issues regarding existing, new or proposed accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; (iv) major issues as to the adequacy of the Company's internal controls and any specific audit steps adopted in light of material control deficiencies; (v) all adjustments to the consolidated financial statements proposed by the independent auditors, irrespective of whether they are

accepted or not by management; and (vi) any other material written communications between the independent auditor and the Company's management.

4.2. Review with management and the independent auditors prior to public dissemination the Company's annual audited financial statements and quarterly financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

4.3. Review and discuss with management and the independent auditors the Company's earnings press releases (paying particular attention to the use of any "pro forma" or "adjusted" non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies. The Committee's discussion in this regard may be general in nature (*i.e.*, discussion of the types of information to be disclosed and the type of presentation to be made) and need not take place in advance of each earnings release or each instance in which the Company may provide earnings guidance.

INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

4.4. Evaluate the overall effectiveness of the internal control and risk management processes (and any changes to controls and risks.) implemented by management, including any recommendations made by the internal and independent auditors. This evaluation will take into account, among other things, the Company's control culture, the control systems in place for the approval of transactions and the recording and processing of financial data, the control systems in place to manage risks associated with financial statements fraud, and the processes in place to ensure that the financial statements derive from the underlying financial systems and comply with relevant standards and appropriate management's review.

4.5. Review for each fiscal year the results of the internal control audit reports issued by the independent auditors together with management's opinion on the effectiveness of internal control over financial reporting. This review should also include the security of computer systems and applications, and the contingency plans for processing financial information in case of a system breakdown or disaster or to protect against computer fraud.

[4.] Review and discuss with management, internal audit, the finance department, the legal department and the independent auditors the Company's major financial risk and enterprise exposures, including cybersecurity and privacy risks, and the steps management has taken to monitor and control such exposures, including the Company's procedures and any related policies with respect to risk assessment and risk management.

[4.] Review any fraud (regardless of materiality) involving management or other employees having a significant role in internal control over financial reporting

INDEPENDENT AUDITORS

4.6. Inform each registered public accounting firm performing work for the Company that such firm shall report directly to the Committee, which Committee shall be directly responsible for the compensation and oversight of such accounting firm.

4.7. Review on an annual basis the performance of the independent auditors. In conducting its review and evaluation, the Committee should (i) ensure the rotation of the lead audit partner at least every five years, and consider whether there should be regular rotation of the audit firm itself and (ii) confirm with any independent auditor retained to provide audit services for any fiscal year that the lead (or coordinating) audit partner (having primary responsibility for the audit), or the audit partner responsible for reviewing the audit, has not performed audit services for the Company in each of the five previous fiscal years of that Company.

4.8. Oversee the overall relationship with the independent auditors including, but not limited to: the terms of the engagement and the scope of the audit services, the compensation for the audit services, the independence of the auditors and any potential conflicts of interest, the provision of any non-audit services, and the compliance with relevant regulatory, ethical and professional guidance on the rotation of audit partners and other personnel assigned to the audit.

4.9. Meet regularly with the independent auditors before, during, and after the audit, and at least once a year hold an executive session.

4.10. Ensure that significant findings and recommendations made by the independent auditors and management's proposed responses are received, discussed and appropriately executed.

4.11. Review the independent auditors' judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting.

4.12. Review matters required to be discussed by Statement on Auditing Standards (SAS) No. 114, "The Auditor's Communication with Those Charged with Governance", as amended, related to the conduct of the audit, including the resolution of any disagreement between management and the auditor regarding financial reporting, as well as any other reports as required by applicable law or the standards of the Public Company Accounting Oversight Board (United States).

4.13. Obtain from the independent auditor assurance that in the event the independent auditor detects or becomes aware of any illegal act, the independent auditor will adequately inform and provide a report to the audit committee.

INTERNAL AUDIT

4.14. Review the effectiveness of the Company's internal audit function and ensure it has adequate resources and appropriate access to information to enable it to carry out its mission. The Committee shall also ensure that it has appropriate standing within the Company.

4.15. Participate in the appointment, promotion or dismissal of the CAE and discuss with the independent auditors the standard of work of the internal audit staff.

- 4.16. Meet regularly with the CAE and at least once a year hold an executive session.
- 4.17. Review and approve the annual internal audit plan and ensure that it addresses key Areas of risk and that there is appropriate coordination with the independent auditors.
- 4.18. Ensure that significant findings and recommendations made by the internal auditors and management's proposed responses are received, discussed and appropriately executed.

COMPLIANCE WITH LAWS AND REGULATIONS

- 4.19. Review the effectiveness of the system for monitoring compliance with applicable laws and regulations and the results of management's investigation and follow-up, including any disciplinary action, of any wrong doings or non-compliance.
- 4.20. Regularly obtain from management and the Company's legal counsel reports on compliance matters that may have a material impact on the Company's financial statements and ensure that all regulatory compliance matters, related to the business of the Company, have been considered in the preparation of the financial statements.
- 4.21. Review the findings and recommendations of any examinations by regulatory agencies and be satisfied with management's prompt execution.
- 4.22. Regularly review the Company's code of ethical conduct to ensure that it is adequate and up-to-date.
- 4.23. Set clear hiring policies for employees or former employees of the independent Auditors. At a minimum, these policies should provide that any registered public accounting firm may not provided audit services to the Company if the CEO, controller, CFO, CAE or any person serving in an equivalent capacity for the Company was employed by the registered public accounting firm and participated in the audit of the Company within one year of the initiation of the current audit.

REPORTING RESPONSIBILITIES

- 4.24. Regularly update the Board about the Committee activities and ensure that the Board is timely aware of matters that may significantly impact on the financial condition of the Company, including with respect to any issues that arise with respect to the quality or integrity of the company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors or the performance of the internal audit function.
- 4.25. Prepare any reports required by law or listing rules or requested by the Board.

SELF-ASSESSMENT

4.26. Assess the Committee's own performance and assess the achievement of the duties specified in its charter, at least once a year. Report the findings to the Board.

REVIEW OF THE COMMITTEE'S CHARTER

4.27. Review the Committee's charter annually, reassess its adequacy and recommend any proposed changes to the Board, including changes that are necessary as a result of new laws and regulations.

4.28 Establish procedures for (i) the receipt, retention and treatment of concerns or complaints from employees or third parties regarding accounting, and internal controls or auditing matter and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.