

Title: Air Canada's Commitment to Corporate Governance and Ethical Practices

Introduction Air Canada is committed to maintaining high standards of corporate governance and ethical practices. This document outlines the airline's governance framework, ethical principles, and key practices that ensure transparency, accountability, and integrity in all its operations.

1. Corporate Governance Framework Air Canada's corporate governance framework is designed to promote the efficient and effective management of the company. Key elements include:

- **Board of Directors:** Comprising a diverse group of experienced professionals who provide strategic oversight and guidance.
- **Committees:** Specialized committees focused on audit, governance, finance, risk management, and other critical areas.
- **Policies and Procedures:** Comprehensive governance policies and procedures that define roles, responsibilities, and processes.

2. Board of Directors The Board of Directors plays a central role in Air Canada's governance. Key aspects include:

- **Independence:** Ensuring a majority of independent directors who can make unbiased decisions.
- **Diversity:** Promoting diversity in the board's composition to bring varied perspectives and expertise.
- **Meetings and Evaluations:** Regular board meetings and performance evaluations to ensure effectiveness and accountability.

3. Governance Committees Air Canada's governance committees focus on specific areas to enhance oversight and management. Key committees include:

- **Audit Committee:** Oversees financial reporting, internal controls, and the audit process.
- **Governance and Nominating Committee:** Responsible for board governance practices, director nominations, and corporate governance policies.
- **Finance and Risk Management Committee:** Monitors financial strategies, risk management practices, and investment decisions.
- **Safety, Health, and Environment Committee:** Ensures the airline's compliance with safety, health, and environmental regulations and standards.

4. Ethical Business Practices Air Canada upholds the highest ethical standards in its business operations. Key practices include:

- **Code of Conduct:** A comprehensive code of conduct that outlines the ethical principles and expectations for employees, directors, and partners.
- **Anti-Corruption Measures:** Strict policies and training programs to prevent corruption, bribery, and unethical behavior.
- **Whistleblower Protection:** Mechanisms for employees to report unethical conduct without fear of retaliation.

5. Transparency and Accountability Air Canada is committed to transparency and accountability in all its dealings. Key initiatives include:

- **Financial Disclosure:** Providing accurate and timely financial information to shareholders and the public.
- **Stakeholder Engagement:** Engaging with stakeholders, including investors, customers, employees, and regulators, to build trust and foster open communication.
- **Sustainability Reporting:** Publishing regular reports on sustainability initiatives and performance, highlighting the airline's environmental and social impact.

6. Risk Management Effective risk management is a cornerstone of Air Canada's governance framework. Key components include:

- **Risk Assessment:** Regularly identifying and assessing potential risks to the business.
- **Risk Mitigation:** Implementing strategies and controls to mitigate identified risks.
- **Crisis Management:** Preparing for and responding to crises through well-defined crisis management plans and procedures.

7. Compliance and Regulatory Adherence Air Canada ensures compliance with all relevant laws, regulations, and industry standards. Key efforts include:

- **Regulatory Compliance:** Adhering to aviation, safety, environmental, and financial regulations at national and international levels.
- **Internal Audits:** Conducting regular internal audits to ensure compliance and identify areas for improvement.
- **Continuous Improvement:** Continuously updating and improving governance practices to align with evolving regulatory requirements and best practices.

8. Corporate Social Responsibility (CSR) Corporate social responsibility is integral to Air Canada's governance approach. Key CSR initiatives include:

- **Environmental Sustainability:** Implementing programs to reduce carbon emissions, promote sustainable practices, and protect the environment.
- **Community Engagement:** Supporting charitable organizations and community projects through donations, sponsorships, and volunteer efforts.
- **Employee Well-being:** Promoting a positive and inclusive workplace culture that values diversity, health, and professional development.

Conclusion Air Canada's commitment to corporate governance and ethical practices ensures the airline operates with integrity, transparency, and accountability. By upholding high standards in governance and ethics, Air Canada continues to build trust with its stakeholders and maintain its reputation as a responsible and reliable global airline.