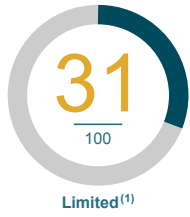


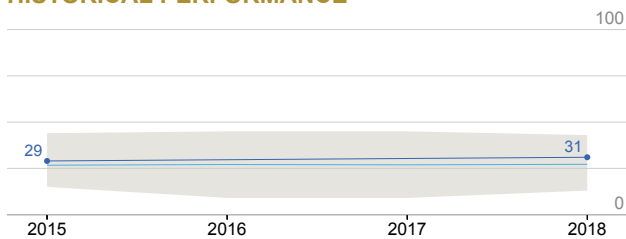
Company and Sector Performance

ESG OVERALL SCORE

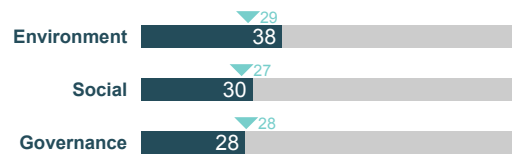


Information rate	70%
sector average	57%
Cooperation level ⁽²⁾	Not responsive
High severity controversies	No
Rank in Sector	5/16
Rank in Region	271/904
Rank in Universe	1742/4482

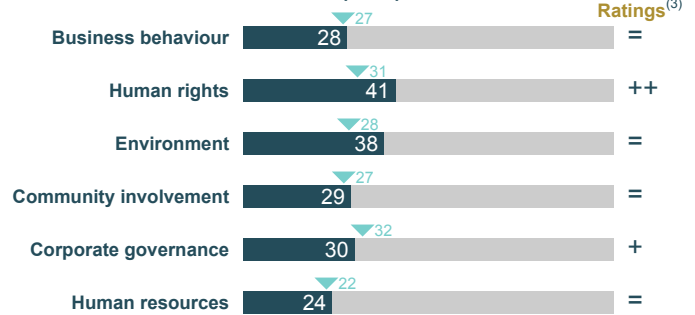
HISTORICAL PERFORMANCE



ESG PERFORMANCE (/100)



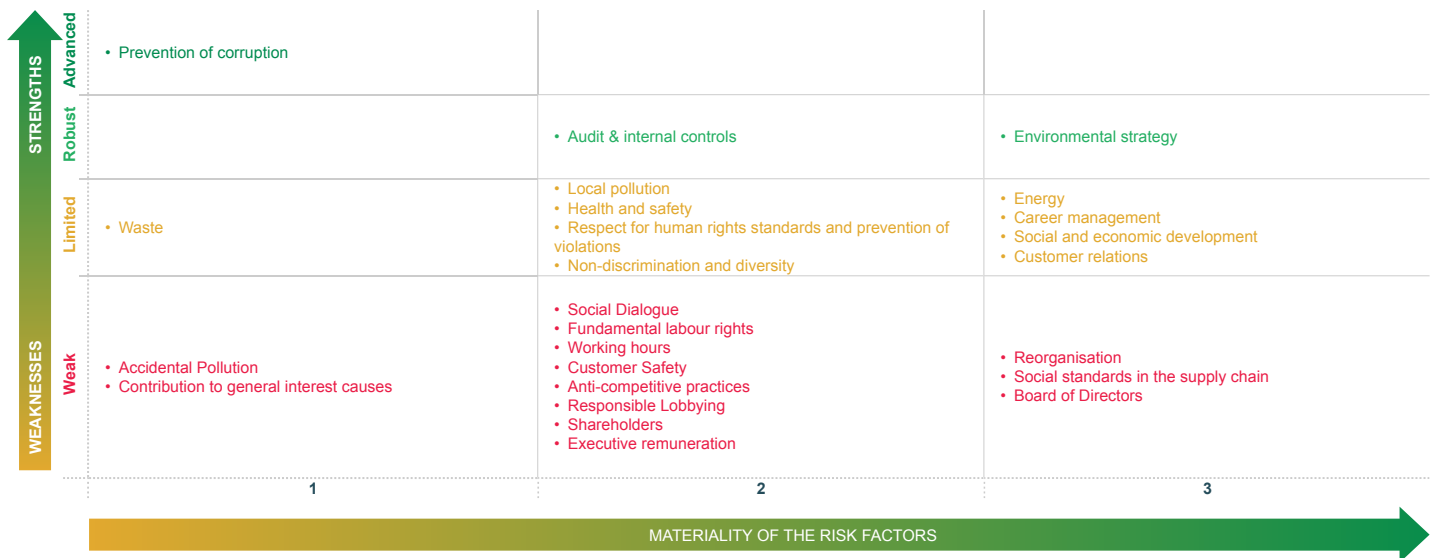
6 DOMAINS PERFORMANCE (/100)



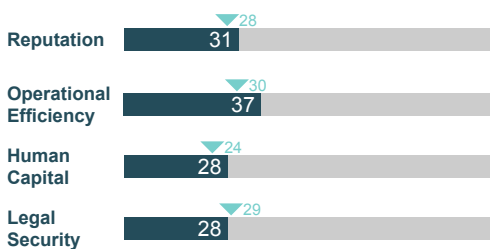
Company inclusion in Vigeo Eiris indices⁽⁴⁾: No

Management of risks and opportunities

MATERIALITY & PERFORMANCE MATRIX



RISK MITIGATION INDEX (/100)



ANALYST FOCUS

TOPIC	COMMENT	TREND
Customer Security	Although Avianca Holdings has put in place some measures to ensure customers safety within its operations since the last review, there are no indicators to assess its performance in its regard.	➔
Carbon Footprint	The Company has set targets to reduce the energy consumption linked to the fuel efficiency, however, the CO2 emission linked to the energy consumption and normalised by Company's revenues has increased in the past three years.	➡
Corporate Governance	The Board of Directors is considered as an area for improvement for Avianca Holdings, as its independency level might raise concerns, its performance is not assessed and there is no information about trainings conducted to the Board.	➡

Carbon Footprint and Energy Transition*

"The Carbon Footprint & Energy Transition research provides an assessment of a company's carbon footprint combined with the strategy to manage risks and opportunities related to the transition to a low carbon economy. NI (No Info) is used to indicate that the information is not available."

CARBON FOOTPRINT



SCALE	EMISSIONS (T CO2 EQ)	CATEGORIES
A	<100 000	Moderate
B	>= 100 000 and <1 000 000	Significant
C	>= 1 000 000 and <10 000 000	High
D	>= 10 000 000	Intense

ENERGY TRANSITION SCORE



ENERGY TRANSITION SCORE	CATEGORIES
60-100	Advanced
50-59	Robust
30-49	Limited
0-29	Weak

Goods and services contributing to sustainable development*

"Sustainable Goods & Services research provides a positive screening on companies to identify business activities devoted to sustainable solutions."



INVOLVEMENT	CATEGORIES
>=50%	Major
20-49%	Significant
0-19%	Minor
0%	None

Involvement in controversial activities*

"The Controversial Activities research provides screening on companies to identify involvement in business activities that are subject to philosophical or moral beliefs."

Involvement in controversial activities: Not available in this version

Screened Areas:

- Alcohol
- Animal welfare
- Chemicals of concern
- Civilian firearms
- Fossil fuels
- Gambling
- Genetic engineering
- High interest rate lending
- Military
- Nuclear power
- Pornography
- Reproductive medicine
- Tobacco

For more information please contact us at customer.service@vigeo-eiris.com

(1) Performance level: weak (0-29/100), limited (30-49/100), robust (50-59/100), advanced (60-100/100)
 (2) Cooperation level on a 4-level scale: proactive, responsive, partially responsive, not responsive
 (3) Ratings outline companies' benchmarked domain performance within a sector, on a 5-level scale: "-", "=", "+", "++", "+++"
 (4) Indices: based on the most recent indices at the date of publication. More details on vigeo-eiris.com.

Company performance in all the Sustainability Drivers

			Overall score 31/100				
Weight			Trend	Score	Leadership	Implementation	Results
Environment			→	38	40	45	12
E	ENV1.1	3	→	53	55	50	N/A
E	ENV2.2	3	→	33	48	51	0
E	ENV2.6	2	→	41	30	58	35
E	ENV1.2	1	↗	7	0	0	22
E	ENV2.5	1	→	30	30	30	30
Human Resources			→	24	20	29	22
S	HRS2.3	3	↘	12	0	0	35
S	HRS2.4	3	→	38	30	65	18
S	HRS1.1	2	↗	24	30	19	22
S	HRS3.2	2	→	35	42	51	11
S	HRS3.3	2	↗	9	0	6	22
Human Rights			↗	41	45	24	53
S	HRT1.1	2	↗	47	51	24	65
S	HRT2.1	2	↗	23	18	0	65
S	HRT2.4	2	↗	47	65	48	28
Community Involvement			→	29	42	26	21
S	CIN1.1	3	→	33	48	24	28
S	CIN2.2	1	↘	18	23	30	0
Business Behaviour (C&S)			↗	28	27	17	39
S	C&S1.3	3	↗	35	30	30	46
S	C&S2.4	3	↗	28	39	11	35
S	C&S1.1	2	→	29	31	20	35
G	C&S3.2	2	→	14	0	0	43
G	C&S3.3	2		12	0	0	35
G	C&S3.1	1	↗	61	76	63	43
Corporate Governance			↘	30	26	18	47
G	CGV1.1	3	↘	29	20	9	57
G	CGV2.1	2	↘	58	46	48	79
G	CGV3.1	2	→	21	20	18	26
G	CGV4.1	2	↗	14	20	0	22

■ Weak (0-29/100)
 ■ Limited (30-49/100)
 ■ Robust (50-59/100)
 ■ Advanced (60-100/100)



Involvement in allegations



Involvement in allegations with evidence of corrective measures

Benchmark

Position versus sector peers

Position versus sector peers		Environment	Human resources	Human rights	Community involvement	Business behaviour (C&S)	Corporate governance	Overall Score
TW0002610003	China Airlines	+	+	++	++	+	++	43
CL0000000423	Latam Airlines	++	+	++	++	+	+	43
TRATHYAO91M5	Turk Hava Yollari	++	=	+	+	+	+	37
TH0221B10Z05	BTS Group Holdings	=	+	=	+	=	++	33
US05367G1004	Avianca Holdings	=	=	++	=	=	+	31
CNE1000001S0	Air China	=	=	=	-	=	++	30
CNE1000002T6	China Southern Airlines	=	=	=	=	+	+	28
BRRENTACNOR4	Localiza Rent A Car	-	=	+	+	=	=	28
KR7003490000	Korean Air Lines	=	=	++	+	=	-	27
TW0002618006	EVA Airways	=	=	-	-	=	=	25
MYL509900006	AirAsia	-	-	-	-	-	++	21
BRMOVIACNOR0	Movida	-	=	+	-	-	=	21
HK0308001558	China Travel International Investment HK	-	-	=	=	-	=	19
BRCVCBACNOR1	Cvc Brasil Operadora E Agenc	--	-	=	=	-	+	18
BRLCAMACNOR3	Locamerica	-	-	=	=	=	=	18
US22943F1003	Ctrip.com	--	-	-	=	-	-	13

General information

Avianca Holdings SA (Avianca) is a Panama-based company engaged, through its subsidiaries, in the provision of air transportation services for passengers and commercial purposes. The Company was originally

established as a strategic alliance between Aerovias del Continente Americano SA (AVIANCA) and Grupo TACA Holdings Limited (GTH).

Selected financial data

Key data	Revenues	EBIT	Employees
2017	USD 4.4bn	USD 293m	19,278
2016	USD 4.1bn	USD 258m	21,061
2015	USD 4.4bn	USD 219m	21,145
2014	USD 4.7bn	USD 279m	20,485
2013	USD 4.2bn	USD 385m	19,153

Main shareholders	2018
Synergy Aerospace Corp.	78.1%
Kingsland Holdings Ltd	21.9%

Geographical Breakdown	Turnover 2017	Employees
Colombia	44.2%	N/A
South America (ex-Colombia)	21%	N/A
North America	12.7%	N/A
Central America and the Caribbean	12.1%	N/A
Other	10%	N/A

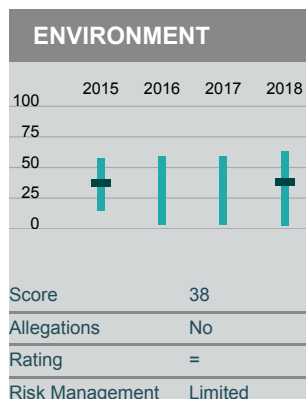
Main economic segment	Turnover 2017
Passenger Transportation	80%
Cargo and other	20%

Selected ESG Indicators

	2017	2016
Percentage of independent Board members	18	10
Executive remuneration linked to CSR performance	No Info	No Info
3-year energy consumption trend (normalized to turnover)	↗	↗
Ratio of payments to employees vs. Shareholders	N/A	N/A
Management of social risks in supply chain	Weak	Weak
Percentage of women on Board	0	9
Percentage of women in Executive team	30	30
Percentage of women in workforce	40.7	37.7
Transparency on lobbying budget	No	No
Percentage of employees covered by collective agreements on working conditions	N/A	N/A
3 year trend for safety at work	N/A	N/A
Involvement in armament	No	No
Transparency on payment of tax	Partial	Partial

CSR performance per domain

■ Sector performance
■ Company performance
Rating : min- / max ++



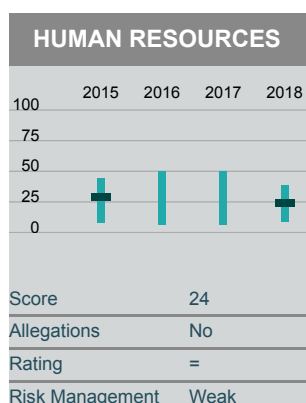
Key issues

Minimising environmental impacts from energy use is among the major environmental issues for airlines given that around 95% of carbon emissions from the industry come from the burning of jet fuel contributing directly to climate change. The Management of local pollution is another key issue for airlines urging them to tackle and control noise levels to minimize the impact on surrounding communities.

Company performance

- The Company's performance in the Environmental domain is limited in absolute terms which is consistent compared to the previous review.

- Avianca Holding commits to most of its responsibilities in terms of environmental protection but disclose quantitative targets only on impacts related to energy consumption. Only part of its operations are conducted under a certified environmental management system. Energy consumption and CO2 emission normalized to turnover have increased over the past three years. On the other hand SO2 and NOx emissions generated are not disclosed. All the Company's airplanes are certified under ETAPA's level IV for noise standards.



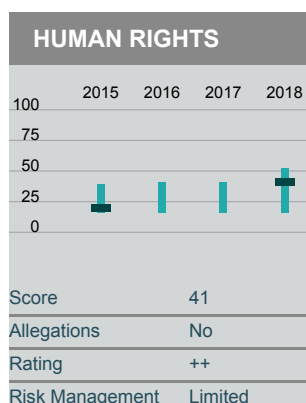
Key issues

As a reaction to the economic pressure and cost reduction schemes, the Travel & Tourism sector is driven by reorganisation changes. Mergers and acquisitions, as well as divestments from non-value added activities can have significant impacts on human resources. Therefore, Responsible management of these restructurings is a major challenge for the sector.

Company performance

- The Company's performance in the Human Resources domain is weak in absolute terms which is consistent compared to the previous review.

- Avianca Holdings makes bargaining agreements with its employees, however only 21% of its employees are covered by its collective bargaining agreements. No information is disclosed by the Company regarding the responsible management of reorganisations. In terms of health and safety, the Company has allocated significant means to address stress at work, as well as health and safety issues, however, there is no information about health and safety indicators. Finally, training hours per employee and the employee turnover rate have increased since the previous review.



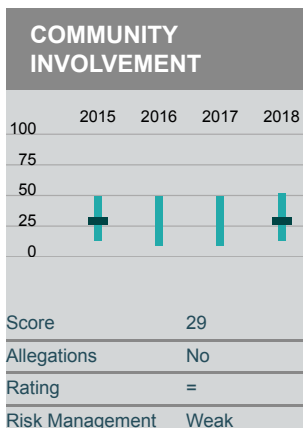
Key issues

Managing sensitive customer databases and being involved in transportation of different categories of passengers including vulnerable deported prisoners or illegal immigrants increases exposure to human rights violation risks. The respect for freedom of association and the right to collective bargaining is another key issue that is considered essential for a motivating working environment and company cohesion. As the Travel and Tourism job market is typically gender oriented Non-discrimination is considered relevant since promoting diversity within workforce would enhance creativity and meet diverse customers' demands.

Company performance

- The Company's performance in the Human Rights domain is limited in absolute terms which is an improvement compared to the previous review.

- Avianca Holdings has formalised its commitment to respect the right to privacy for passengers, supported by training programmes for employees on privacy and grievance mechanisms. In terms of labour rights, the Company address generally the respect of freedom association but is not backed up by relevant measures. Finally, Avianca Holdings has implemented significant measures to prevent discrimination, and also its share of women in management position has increased over the past three years.

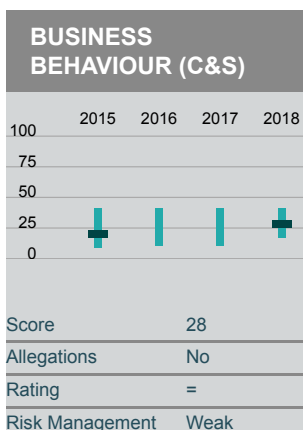


Key issues

Airline companies can play an active role in local employment and economic development of communities hosting their operations. Therefore, the Promotion of social and economic development of local communities is considered a key issue for the airlines sub-sector.

Company performance

- The Company's performance in the Community Involvement domain is weak in absolute terms which is consistent compared to the previous review.
- Avianca Holdings has formalised its commitment to implement a responsible tax strategy. In addition, Avianca's Social Committee participates in local communities dialogue process. Avianca Holdings has some programmes to contribute to general interest causes related to public health and response to natural disasters, however Avianca fails to report indicators on this matter.

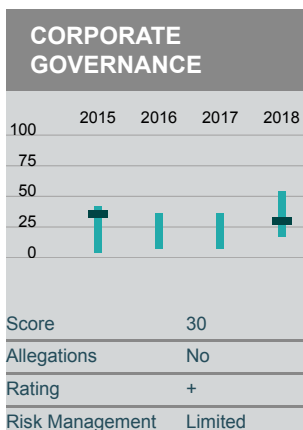


Key issues

Customer safety is a key issue for Travel and Tourism sector, given the increasing exposure of customer to safety hazards and the stringent regulatory framework of the sector. Social factors in the supply chain is another key sector issue because of companies' strong capacity to promote suppliers' responsible social practices. This is given the high volumes of services subcontracted and that directly correlated to companies' business requiring an active management. Furthermore, companies in the sector are expected to ensure Responsible Customer Relations through efficient customer protection mechanisms.

Company performance

- The Company's performance in the Business Behaviour domain is weak in absolute terms which is an improvement compared to the previous review.
- Avianca Holdings has formalised its commitment to customers safety, which is supported by security controls, monitoring systems and security certifications. Avianca Holdings counts with an accessible system to handle complaints. In addition, its commitment to address social requirements for suppliers is backed up with measures such as suppliers questionnaires and support. Avianca Holdings sets up internal controls to prevent the corruption within the Company. Finally, the Company does not report information about its lobbying practices.



Key issues

Sound corporate governance is required to oversee a company's strategic direction, including the CSR strategy. Vigeo Eiris' framework has been adapted to capture the level of integration of CSR topics at Board-level, supplementing traditional signals on efficient governance practices. Directors are notably evaluated on their level of diversity and experience with operational, financial, and CSR topics (CGV1.1). The audit and internal controls system is examined regarding the efficiency and reach of its risk management (CGV2.1). Shareholders are expected to have fair voting rights and access to all relevant information on material CSR issues (CGV3.1). Executive remuneration is assessed for transparency and alignment with the interests of company's shareholders and other stakeholders (CGV4.1).

Company performance

- The Company's performance in the Corporate Governance domain is limited in absolute terms which is a deterioration compared to the previous review.
- No specific committee is in charge of director nomination and less than 20% of Directors are considered independent. A robust score is reached on audit and internal controls, thanks to a fully independent Audit Committee that has a comprehensive role, also its internal control system oversee some CSR risks. The score is hampered by the lack of transparency on rules determining executive remuneration, and restrictions to shareholders' voting rights, such as preferred shares without voting rights.

CSR performance per criterion

Detailed Analysis

Environment		10
ENV1.1	Environmental strategy and eco-design	10
ENV1.2	Pollution prevention and control (soil, accident)	12
ENV1.3	Development of green products and services	13
ENV2.1	Protection of water resources	14
ENV2.2	Minimising environmental impacts from energy use	15
ENV2.5	Waste management	17
ENV2.6	Management of local pollution	18
Human resources		19
HRS1.1	Promotion of labour relations	19
HRS2.3	Responsible management of reorganisations	21
HRS2.4	Career management and promotion of employability	22
HRS3.2	Improvement of health and safety conditions	24
HRS3.3	Respect and management of working hours	26
Human rights		28
HRT1.1	Respect for human rights standards and prevention of violations	28
HRT2.1	Respect for freedom of association and the right to collective bargaining	30
HRT2.4	Non-discrimination	32
Community involvement		34
CIN1.1	Promotion of the social and economic development	34
CIN2.1	Societal impacts of the company's products / services	36
CIN2.2	Contribution to general interest causes	37
Business behaviour (C&S)		39
C&S1.1	Customer Safety	39
C&S1.3	Responsible Customer Relations	41
C&S2.2	Sustainable Relationships with suppliers	43
C&S2.3	Integration of environmental factors in the supply chain	44
C&S2.4	Integration of social factors in the supply chain	45

C&S3.1	Prevention of corruption	47
C&S3.2	Prevention of anti-competitive practices	49
C&S3.3	Transparency and integrity of influence strategies and practices	51

Corporate governance 53

CGV1.1	Board of Directors	53
CGV2.1	Audit & Internal Controls	55
CGV3.1	Shareholders	57
CGV4.1	Executive Remuneration	58

 Involvement in allegations
  Involvement in allegations with evidence of corrective measures

Environment

Score: 38

ENV1.1 Environmental strategy and eco-design

(score: 53, weight: 3)



Visibility of commitment to environmental issues

The company has issued a formalised commitment to environmental protection in its Annual Report. In addition, the Company has established targets on fuel consumption efficiency. The company is a signatory of the Global Compact and communicates on this principle.

Relevance of environmental strategy

The company commits to the majority of its responsibilities in terms of environmental protection:

- Protection of water resources
- Minimising environmental impacts from energy use
- Waste management
- Management of local pollution
- Pollution prevention and control (soil, accident)
- Development of green tourism
- Development of sustainable urban transport

The company commits to some of its responsibilities in terms of environmental protection:

- Minimising environmental impacts from energy use
- Waste management
- Management of local pollution

The Company states that Avianca Holdings evaluates environmental aspects and impacts of its operation and are committed to generating efficiencies for the mitigation of its environmental impacts.

Ownership of commitment

The commitment applies throughout the company and is supported by senior management.

Means allocated to environmental management

The company has allocated comprehensive resources to environmental management.

- Environmental manual specifying procedures and responsibilities
- Internal audits that assess the effectiveness of the EMS
- Management review of the EMS (at Executive Level)
- Environmental performance measured against targets
- External verification of reporting on environmental performance

The Company is certified by ISO 14001:2015, which integrates the Environmental manual, internal audits and the review of the EMS.

- Environmental performance measured against targets: the Company has set the target of reducing fuel consumption by 1.5% per year up to 2020.
- External verification of reporting on environmental performance: the social and environmental indicators have an external review made by Deloitte.

Coverage of certified environmental management systems

Less than 25% of the company's sites/offices have a certified environmental management system.

5% of the production sites are certified by ISO 14001:2015.

Leadership	55
Visibility	65
Relevance	65
Ownership	30

Implementation	50
Means & resources	100
Coverage	0

ENV1.2 Pollution prevention and control (soil, accident)

(score: 7, weight: 1)



Relevance of commitments on pollution prevention and control

The company does not disclose any commitment to pollution prevention and control.

Means allocated to pollution prevention and control

Information obtained from the company and public sources regarding means allocated to pollution prevention and control is insufficient.

- pollution control audits
- training
- risk assessment/identification studies
- implementation of risk prevention procedures (emergency plans, simulation exercises)

Coverage

Information obtained from the company and public sources regarding the percentage of sites covered by pollution prevention and control is insufficient.

Existence of accidental pollution

The number of minor environmental incidents has decreased slightly over time.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Rehabilitation of polluted soil

Information obtained from the company and public sources regarding the rehabilitation of polluted soil is insufficient.

Leadership	0	Implementation	0	Results	22
Relevance	0	Means & resources	0	Performance	65
		Coverage	0	Trends	0

ENV1.3 Development of green products and services

(deactivated)

This sustainability driver is not analysed for Airlines, including Avianca Holdings, since their capacity to provide green products/services is restricted by the nature of their operations.

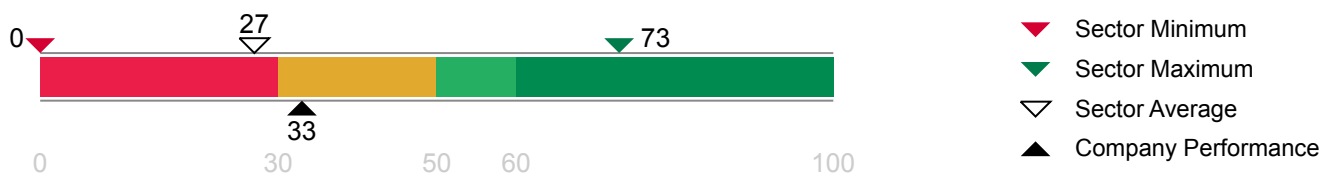
ENV2.1 Protection of water resources

(deactivated)

This sustainability driver is deactivated for the airlines sub-sector as it is not a large water user given its low-level reliance on water consumption compared to its counterparts in the sector. Therefore, it is deactivated for Avianca Holdings.

ENV2.2 Minimising environmental impacts from energy use

(score: 33, weight: 3)



Relevance of the company's commitment in terms of reducing its energy consumption.

The company has set quantified targets with regard to its energy consumption, and these cover the entire group.

The Company has set as target the improvement fuel consumption efficiency by 1,5% per year up to 2020 (Baseline 2017).

Relevance of the company's commitment in terms of reducing its energy-related emissions.

The company's commitment to reduce its energy-related emissions is general.

No quantified targets are disclosed.

Means allocated to reducing energy consumption and/or related emissions

The company works to optimize its production processes, in order to reduce its energy consumption and/or its related emissions.

- Monitoring systems/Audits
- Building/ facilities optimisation
- Fleet optimisation
- Alternative energy sources (e.g. bio-diesel)
- Customer participation (e.g. carbon offset initiatives, and other offered environmentally friendly travel solutions)

- Monitoring systems: In order to monitor the level of fuel use efficiency related to the occupation of its aircraft, Avianca Holdings measures its performance through the fuel consumption indicator, measured in liters of its aircraft for every 100 revenue passenger kilometers (RPKs).

- Building/ facilities optimisation: Avianca Holdings reported that some of its aeronautical maintenance center were designed and built according to the LEED parameters.

- Fleet optimisation: the Company states that part of the the reduction of the fuel consumption in 2017 was because the renewal of the fleet.

Coverage of means allocated to reducing energy consumption and/or related emissions

There is no evidence that the measures put in place were implemented in the majority of the Company's operations.

Energy consumption

The company's energy consumption, normalised to turnover, has increased over the past three years by 16% from 4330 MWh/ M Euros in 2015 to 5026 MWh/ M Euros in 2017.

CO2 emissions linked to energy consumption (direct and indirect)

The company's CO2 emissions (direct and indirect) linked to energy consumption, normalised to turnover, have increased over the past three years by 17% from 1.12 tCO2/ M Euros in 2015 to 1.31 tCO2/ M Euros in 2017.

SO2 emissions linked to energy consumption

The company does not disclose quantitative data on SO2 emissions (direct and/or indirect) linked to energy consumption.

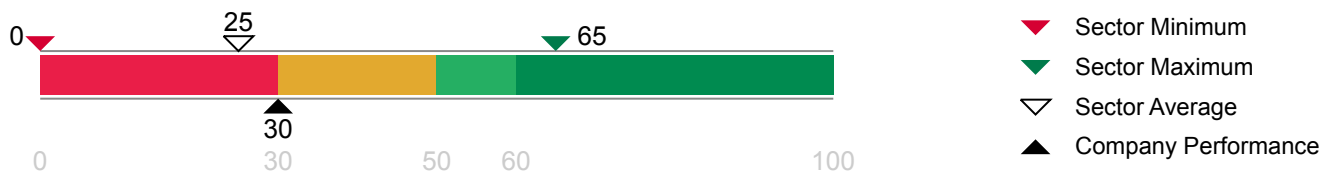
NOx emissions linked to energy consumption

The company does not disclose quantitative data on NOx emissions (direct and/or indirect) linked to energy consumption.

Leadership	48	Implementation	51	Results	0
Relevance	48	Means & resources	65	Performance	0
		Coverage	30		

ENV2.5 Waste management

(score: 30, weight: 1)



Relevance of the company's commitment with regard to its non-hazardous waste production

The company's commitment to reduce its non-hazardous waste production is general.

No quantified targets are disclosed.

Means allocated to waste management

The company has set up monitoring systems for its waste production.

The Company monitors either its non-hazardous and non-hazardous waste.

Coverage of means allocated to waste management

The company has taken such measures in a minority of sites.

There is no evidence that the measures put in place covers the majority of the Company's operations.

Non-hazardous waste

The company's non-hazardous waste production, normalised to turnover, has remained stable over the past three years.

The company's non-hazardous waste production, normalised to turnover, has remained stable over the past three years, standing at 0.3835 tons/ M Euros in 2017.

Waste treatment / recycling

The percentage of waste recycled or reused has remained stable over the past three years, standing at 36% in 2017.

Leadership	30
Relevance	30

Implementation	30
Means & resources	30
Coverage	30

Results	30
Performance	30
Trends	30

ENV2.6 Management of local pollution

(score: 41, weight: 2)



Relevance of the company's commitment to reducing its local pollution

The company's commitment relative to controlling its noise-related local pollution is general.

No quantified targets are disclosed.

Means allocated to preventing local pollution

The company has set up limited measures to control local pollution of its operations, including:

- Monitoring systems/Audit
- Engine and fleet technologies
- Dialogue with relevant stakeholders
- Other measures (e.g. specific methods or concepts)

- Engine and fleet technologies: The company seeks to maintain the highest standards in noise mitigation technology in the operation, for this reason Avianca Holdings has incorporated new aircrafts to its fleet.

Coverage of means allocated to preventing local pollution

100% of its aircraft fulfill the stage IV requirements determined by the ICAO.

Complaints from residents about noise

Information obtained from the company and public sources regarding quantitative figures about complaints from residents is insufficient.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	30
Relevance	30

Implementation	58
Means & resources	30
Coverage	100

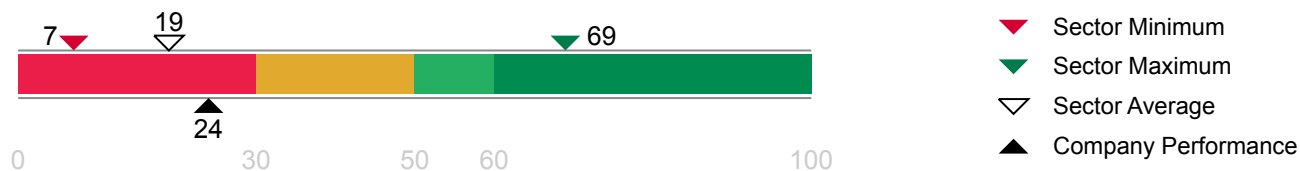
Results	35
Performance	35

Human resources

Score: 24

HRS1.1 Promotion of labour relations

(score: 24, weight: 2)



Visibility of commitment

The company has made references to labour relations in its:

Annual Report.

Relevance of commitment

The company's commitment to promote labour relations is general.

Avianca has set up as challenge to continue the dialogue with trade union organizations to work together towards the progress of labor relations.

Ownership of commitment

The commitment applies throughout the company and is supported by senior management.

Coverage of employee representative bodies

Information obtained from the company and public sources regarding the percentage of sites where employee representation structures are in place is insufficient.

Subjects covered by collective bargaining

Collective bargaining between the company and employee representatives deals with subjects related to working conditions, including:

- health & safety
- CSR issues
- remuneration
- working hours
- training
- career development
- work time flexibility
- employability/life long learning
- stress management
- equal opportunities

Employee representative bodies in countries with restrictive legislation

In countries with restrictive legislation, the company informs employees through alternative employee representative bodies.

The Company negotiates the bargaining agreement with trade unions organizations in Colombia, Peru, Mexico, Argentina and Chile.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Coverage of collective agreements on working conditions

Collective agreements on working conditions cover less than 25% of its employees.

21% of the employees are covered by the by collective bargainings in Colombia, where the Company has most of its employees.

Leadership	30	Implementation	19	Results	22
Visibility	30	Means & resources	65	Performance	22
Relevance	30	Scope	30		
Ownership	30	Coverage	0		

HRS2.3 Responsible management of reorganisations

(score: 12, weight: 3)



Relevance of commitment to manage reorganisations responsibly The company does not disclose any commitment to manage reorganisations responsibly.

Involvement with employee representatives The company does not disclose any commitment to inform and consult employee representatives on reorganisations.

Means allocated to prevent and manage reorganisations Information obtained from the company and public sources regarding measures allocated to prevent and manage reorganisations is insufficient.

- significant financial compensation
- early retirement
- reduction of labour time
- internal mobility programme
- outplacement services
- individualised follow-up of employees
- re-training

Coverage Information obtained from the company and public sources regarding the percentage of sites where such measures are taken is insufficient.

Stakeholders' feedback A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.
As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Result of the company's commitment to manage reorganisations responsibly The company does not provide any information on the impacts of reorganisations on employment.

Leadership	0	Implementation	0	Results	35
Relevance	0	Means & resources	0	Performance	35
Ownership	0	Coverage	0		

HRS2.4 Career management and promotion of employability

(score: 38, weight: 3)



Visibility of commitment

The company makes some general statements promoting career management and training in its:

Annual Report.

Relevance of commitment

The company's commitment to promoting career management and training is general.

- Ensure training, life-long learning and employability
- Promote career development
- Anticipate long-term employment needs and skill requirements (ageing workforce)
- Put in place a concerted career management framework, which is transparent and individualized

Avianca's talent management is focused on attracting, developing and engaging the best talent in the region and the world, within its service-oriented culture, through a humanely effective leadership.

Ownership of commitment

The Head of HR is part of the company's Board or Executive Committee. However line managers do not appear to be evaluated on their performance in terms of HR management.

Ms. Ana Maria Rubio is part of the executive team and is the Senior Vice-President of Human Resources.

Career management systems

The company has set up an internal job opportunity marketplace and/or has formalised the skill requirements for the various job positions. Moreover employees have regular performance assessment interviews.

At Avianca, leaders engage in dialogue with their teams in order to align their objectives, coordinate their actions for development and grow along with the Company.

Coverage of career management systems

These career management systems cover a majority of the company's employees.

In 2017, 66% of our employees received a performance assessment.

Types of training provided to non-managers

The training programmes are aimed at adapting employees' skills to the requirements of their current position and also enable them to develop additional skills.

The Company trains its staff not only enables us to have suitable personnel for carrying out our operations in a safe and productive manner, it also allows us to reinforce and develop the technical and social skills.

In addition to the develop of the skills required to the current position, Avianca has a leadership programme, which seeks for Avianca's leaders to manage their own tasks and promote the behaviors of this culture within their teams. Each pillar and its behaviors are related to the four skills of our Avianca employee (Service orientation, Leadership, Orientation to results and Adaptability).

Means allocated to training for all employees

The company's training hours per employee have increased over the past five years by 235% from 9.09 training hours per employees in 2013 to 30.48 training hours per employee in 2017.

Mobility / turnover

The Company has increased its turnover rate over the past two years by 14.6 percentage points from 16.6% in 2016 to 31.2% in 2017.

Training delivered during the year under review

There is no evidence that all the company's employees received training during the year under review.

Leadership	30	Implementation	65	Results	18
Visibility	30	Means & resources	65	Performance	18
Relevance	30	Scope	65		
Ownership	30	Coverage	65		

HRS3.2 Improvement of health and safety conditions

(score: 35, weight: 2)



Visibility of health & safety commitments

The company has made references to health and safety issues in its: *Annual Report.*

Relevance of commitment

The company's commitment is general.

- ensure awareness about health and safety issues
- reduce the number of work accidents and their severity
- prevent occupational disease
- reduce stress/promote well-being
- prevent exposure to passenger violence
- concerns over air quality

Ownership of commitment

The commitment applies throughout the company and is supported by senior management. In addition, responsibility for commitments is allocated to a dedicated structure or local managers are held accountable.

Health and Safety committees are in place, some of which involve employee representatives, depending on countries of operation.

Means allocated to health and safety

The company has allocated means to address these issues, including a health and safety system:

- training/awareness raising programmes
- internal monitoring
- risk assessments
- internal H&S audits
- H&S competitions
- remuneration based on H&S performance
- OHSAS 18001 certifications

- *awareness raising programmes: Avianca has created and promote a Security Culture according to the good practices of the industry, with active participation of its employees.*
- *internal monitoring: the Company monitors the absenteeism and accidents indicators.*
- *risk assessments: the Company has a Hazard Identification and Risk Assessment Matrix to assess the level of risks of determined activities.*
- *internal H&S audits: Health and Safety Committee are in charge to do safety inspection in the operations.*

Coverage of health and safety system

The health and safety measures cover a minority of the company's employees.

It remains unclear what percentage of employees work under a health and safety system.

Means allocated to reduce stress at work

The company has allocated significant means to address stress at work, including:

- monitoring of absenteeism/rate of occupational disease
- job redesign (work organisation)
- assessment of stress through analysis of internal H&S data
- monitoring of stress through opinion surveys
- awareness raising for employees
- identification of stress sources
- stress support instruments (hotline, counselling service, employee assistance programme, etc)
- training on stress for employees
- training on stress for managers
- measures to improve ergonomics/ ergonomic design of workplaces

- *monitoring of absenteeism.*
 - *awareness raising for employees: the Company carries out workshops to its employees about ergonomics.*
 - *measures to improve ergonomics: the Company identified as one of its relevant risks on Health and Safety the ergonomic issues. Ergonomic criteria were kept in mind when acquiring new furniture, equipment and, tools.*

Coverage of means allocated to address mental health

The monitoring system covers all employees, but it remains unclear what percentage of employees benefited from workshops on ergonomics.

Accident frequency rate

The company does not disclose quantitative data on accident frequency rates.

Other health and safety indicators

The company does not disclose quantitative data on occupational disease rates.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	42
Visibility	30
Relevance	30
Ownership	65

Implementation	51
Means & resources	65
Coverage	30

Results	11
Performance	11

HRS3.3 Respect and management of working hours

(score: 9, weight: 2)



Visibility of commitment

The company does not disclose any commitment to the respect and management of working hours.

Relevance of commitment

The company does not disclose any commitment to the respect and management of working hours.

- Respect the rights of employees to vacation and leisure time
- Provide compensation measures for those employees working atypical hours or overtime
- Take into account the desires of employees in establishing working hours (flexibility, part-time)

Ownership of commitment

The company does not disclose any commitment to respect and management of working hours.

Means to compensate for atypical working hours

Information obtained from the company and public sources regarding means allocated to reduce the impact of atypical working hours is insufficient.

Coverage of measures to compensate for atypical working hours

Information obtained from the company and public sources regarding the percentage of employees covered by such measures is insufficient.

Means to promote work/life balance

The company has taken some measures to take into account employee preferences in setting working hours, such as

- voluntary flex-time schemes
- telecommuting
- voluntary part-time work
- sabbatical years
- additional paternity leave
- child-care services at the workplace

- *voluntary flex-time schemes: Those who work in the administrative areas can choose between two schedules from Monday to Thursday, allowing them to select the one that suits their needs the most.*

Amount of overtime

Information obtained from the company and public sources regarding the amount of overtime is insufficient.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	0
Visibility	0
Relevance	0
Ownership	0

Implementation	6
Means & resources	9
Coverage	0

Results	22
Performance	22

Human rights

Score: 41

HRT1.1 Respect for human rights standards and prevention of violations

(score: 47, weight: 2)



Visibility of commitment

The company has issued a formalised commitment to respect and promote human rights in society in its Privacy Policy for Clients, Travelers and Users. In addition, the Company is a signatory of the Global Compact and communicates on this principle.

Relevance of commitment

The company's commitment to respect and promote human rights in society addresses some of its responsibilities:

- respect the right to privacy for passengers
- prevent complicity in human rights violations

The Company is committed to adequately protect and treat the personal information, pursuant to the personal data legal protection regime available in each territory where the Company operates. Also, the Company is aligned its management with the commitments of the United Nations International Human Rights Agenda (UN).

Ownership of commitment

The commitment applies throughout the company, and is supported by senior management.

The responsibility to oversight the policy is the Directorate of Risk, Security and Compliance with Information.

Means allocated to protect the right to privacy

The company has allocated some measures to ensure the respect of the right to privacy that include:

- Awareness-raising programmes for employees on privacy rights
- Training programmes for employees on privacy rights
- Processes to protect against the loss, alteration and misuse of passengers data.
- Grievance mechanisms
- Human rights impact assessments
- Internal privacy rights audits
- External privacy rights audits/verification
- External investigation of allegations

- Training programmes for employees on privacy rights : In 2017, the company implemented Protecting Personal Data and information security trainings.
 - Grievance mechanisms: To exercise their rights, Travelers, Clients and Users may enforce their rights to know, update, rectify and eliminate personal data or information by sending a request to an email dedicated for this cases. In addition, the ethic lines is available 24/7.

Coverage of the means allocated to protect the right to privacy

Avianca Holdings applies its privacy policy and the Grievance mechanisms in each country where the Company operates. However, there is no evidence that the trainings about privacy of information were done for all the employees.

Means allocated to prevent complicity in human rights violations

Information obtained from the company and public sources regarding systems to prevent complicity in human rights violations.

- Ban of degrading or inhuman treatment of deported passengers
- Systems to prevent deportation leading to family split
- Measures to promote the responsible use of security forces

Coverage of means allocated to prevent complicity in human rights violations

Information obtained from the company and public sources regarding procedures in place to prevent complicity in human rights violations is insufficient.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	51
Visibility	65
Relevance	65
Ownership	30

Implementation	24
Means & resources	15
Coverage	32

Results	65
Performance	65

HRT2.1 Respect for freedom of association and the right to collective bargaining

(score: 28, weight: 2)



Visibility of commitment

The company has made references to freedom of association and the right to collective bargaining in its Annual Report. In addition, the Company is a signatory of the Global Compact and communicates on this principle.

Relevance of commitment

The company's commitment generally addresses freedom of association and the right to collective bargaining.

- protection of freedom of association and the right to organize
- respect of the right to collective bargaining
- respect and protection of workers' representatives
- explicit support for ILO Conventions C87, C98, C135, or similar international texts on union rights
- prevent employee representative discrimination
- guarantee the effective exercise of the trade unions rights in the workplace
- prevent violations of the freedom of association and the right to organize

The Company has identified the Respect of freedom of association as one of its social impacts in its materiality matrix.

Ownership of commitment

It is unclear who is responsible for the company's commitment or to which parts of the company it applies.

Monitoring

It is not clear what steps the company takes to ensure that freedom of association is respected throughout the company's operations (e.g.: through external verification, risk mapping, audits, etc.)

- occasional risk mapping
- occasional internal audits
- on-going monitoring of labour rights risks
- regular internal audits
- external audits/verification
- external investigation of allegations
- cooperation with unions: joint audits, joint grievance procedures etc.

Promotion of collective bargaining

Information obtained from the company and public sources regarding measures in place to inform employees about their trade union rights is insufficient.

Coverage

Information obtained from the company and public sources the percentage of the

company where such labour rights systems and programmes are in place is insufficient.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

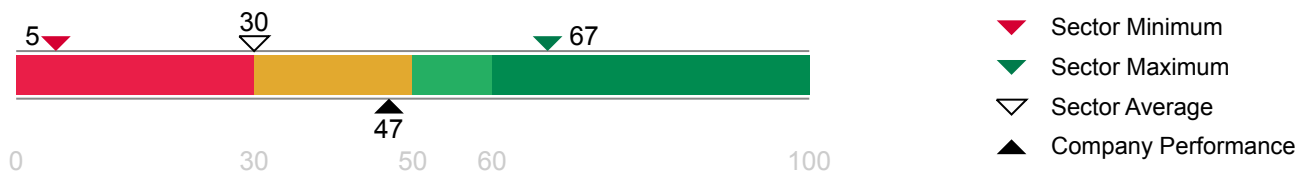
Leadership	18
Visibility	30
Relevance	30
Ownership	0

Implementation	0
Means & resources	0
Coverage	0

Results	65
Performance	65

HRT2.4 Non-discrimination

(score: 47, weight: 2)



Visibility of commitment

The company has issued a formalised commitment to non-discrimination in its Code of Ethics.

Relevance of commitment

The company's commitment to non-discrimination explicitly defines most of the categories and the management processes to which these apply:

- gender
- sensitive medical conditions
- trade union membership or activities
- discrimination in employment decisions (hiring / promoting / redundancies)
- discrimination in working conditions (working hours / training / remuneration / social security)
- race / ethnicity / nationality
- social background
- religion
- sexual orientation
- family responsibilities (including pregnancy)
- disabilities
- political opinion
- age

Avianca Holdings is committed to guarantee that its hiring, promotion and organizational development processes are guided by principles of equal opportunity and treatment, free from any type of discrimination.

Ownership of commitment

The commitment applies throughout the company and is supported by senior management.

The Vice Presidency of Human Talent shall define which area is in charge of the effective disclosure of the Code to all recipients thereof.

Means allocated to prevent discrimination

The company has set up significant measures to prevent discrimination and promote diversity:

- awareness raising
- maternity pay (greater than the statutory requirement)
- paternity pay (greater than the statutory requirement)
- job sharing initiatives
- monitoring of salary disparities
- training
- monitoring
- confidential reporting system / grievance procedures

- disciplinary procedures / corrective measures
- affirmative action programmes
- flexitime initiatives
- child care facilities/child care subsidies
- career break opportunities

- monitoring: the Company monitors its gender balance by type of position, age and geographic area.
 - confidential reporting system: Avianca Holdings has an Ethical Line so that the Collaborators can openly, confidentially or anonymously send, reports or concerns about violations to the Code of Ethics.
 - flexitime initiatives: the Company has established an emotional wage, which includes Home office and flexible timetable. Those who work in the administrative areas can choose between two schedules from Monday to Thursday, allowing them to select the one that suits their needs the most.

Coverage

There is no evidence that the measures put in place covers the majority of the Company's sites.

Results in terms of women in management positions

The share of women in management positions remained stable over the past three years.

The share of women in management positions has increased continuously over the past five years by 2 percentage points from 39.7% in 2015 to 41.7% in 2017. However, the information for 2016 was not disclosed.

Results in terms of employment of employees with disabilities

The company does not disclose quantitative data on performance indicators such as the share of employees with disabilities in the total workforce.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	65	Implementation	48	Results	28
Visibility	65	Means & resources	65	Performance	65
Relevance	100	Coverage	30	Trends	15
Ownership	30				

Community involvement

Score: 29

CIN1.1 Promotion of the social and economic development

(score: 33, weight: 3)



Visibility of the policy

The company has issued a formalized and accessible commitment to promote local social and economic development in its:

Tax Strategy.

Relevance of commitment

The company's commitment to promote local social and economic development addresses only part of its responsibilities:

- Optimise the impact of operations on the local economy
- Setting voluntary schemes to create, sustain and develop local businesses
- Respecting the social, cultural and natural local traditions
- Engaging in continuous stakeholder dialogue with local communities
- Implementing a responsible tax strategy

-Implementing a responsible tax strategy : the Company is committed to make its tax planning reflect the economic and commercial reality of our overall business decisions based on substance, taking into consideration the OECD Guidelines and BEPS s (Base Erosion and Profit Shifting) Actions.

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, other employees are directly involved.

The Group has a complete centralized tax team based in Colombia, a regional finance team for Europe located in Spain, and local advisors for compliance and legal support.

Resources allocated to the mitigation of the impact of the company's operations in areas hosting its operations.

The company has allocated some means to address social and economic development, including:

- Social impact assessment when implantation in new areas or closing sites
- Reduction of the social impacts related to site closures and restructuring
- Local communities dialogue process

- Local communities dialogue process: the Social Committee to engage in dialogue with Civil Society Organizations and participate in the most important initiatives and Corporate Citizenship scenarios.

Geographical coverage

These means are allocated in the majority of company sites.

The Social Committee the participation of Colombia, El Salvador, Peru and Ecuador.

Resources allocated to promotion of the social and economic development

Information obtained from the company and public sources regarding programmes in place to support social and economic development in the areas in which it operates is insufficient.

- Promotion of local employment
- Support the development of local suppliers
- Partnerships with local authorities for local capacity building

Geographical coverage

Information obtained from the company and public sources regarding the percentage of sites where such programmes are in place is insufficient.

Performance trend

The company does not monitor/report indicators on social and economic development.

Transparency of tax reporting

The Company reports partially on taxes paid. Reporting covers:

- taxes paid in some countries of operations
- taxes paid in some regions of operations
- taxes paid in key regions of operations
- taxes paid in key countries of operations
- sales per zone
- operating profit per zone
- number of employees per zone
- ratio between tax paid and headline corporate tax rate per zone
- explanation for significant differences between tax rate actually paid and expected tax rate

Presence in IMF 'offshore financial centers' and/ or in jurisdictions considered by the OECD as not compliant enough with tax transparency rules

The Company operates in IMF 'offshore financial centres' and/ or in jurisdictions considered by the OECD as not compliant enough on tax transparency rules, with no justification for this presence.

The Company is headquartered in Panama, however, most of this operations are in Colombia.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	48
Visibility	65
Relevance	30
Ownership	65

Implementation	24
Means & resources	15
Coverage	32

Results	28
Performance	38
Trends	0

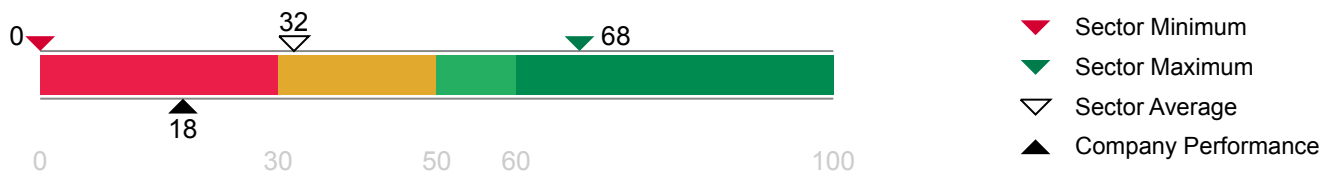
CIN2.1 Societal impacts of the company's products / services

(deactivated)

This sustainability driver is not analysed for the airlines sub-sector. The issue of noise from aircrafts which can have major social impact on local people living and working close to airports is analyzed under the sustainability driver ENV2.6: "Management of local pollution".

CIN2.2 Contribution to general interest causes

(score: 18, weight: 1)



Relevance of commitment

The company's commitment to supporting general interest causes is general.

- Public health
- Education/Literacy
- Reponse to natural disasters
- Culture
- Youth development/Sport

The Company aims its efforts in general interest causes throught the support of communities that have suffered a natural disaster or a social emergency.

Ownership of commitment

It is unclear who is responsible for the company's commitment or to which parts of the company it applies.

Means allocated

The company has allocated some means to general interest causes, including:

- Financial support
- In-kind donations
- Fund raising
- Dedicated foundation
- Allowing staff time
- Sponsoring employee volunteering
- Pro-bono work
- Complementing or matching employees' charitable contributions

- Dedicated foundation: Company's foundation (Avianca Solidaria) transfers of humanitarian aid to victims of natural disasters that occur on routes where Avianca operates. (i) Transportation of people: medical personnel, rescue workers, volunteers and victims (ii) Transportation of cargo: goods, medicines, necessities and non-perishable foods.

- Allowing staff time: the Company has a Corporate Volunteer programme to allow donation of time, knowledge, in-kind or money by its volunteer employees.

Scope of the means allocated

The resources allocated by the company to contribution to general interest causes programmes address some issues.

- Public health
- Education/Literacy
- Response to natural disasters
- Culture
- Youth development/Sport

Performance benchmark for contributions to general interest causes

Information obtained from the company and public sources regarding the company's contributions to support general interest causes is insufficient.

Trend in contributions to general interest causes

Information obtained from the company and public sources regarding the company's contributions to general interest causes is insufficient to determine a trend.

Leadership	23
Relevance	30
Ownership	0

Implementation	30
Means & resources	30
Scope	30

Results	0
Performance	0
Trends	0

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Business behaviour (C&S)

Score: 28

C&S1.1 Customer Safety

(score: 29, weight: 2)



Visibility of commitment

The company has issued a formalised commitment to customers safety in its: *Code of Ethics*.

Relevance of commitment

The company's commitment addresses customers safety. *The Company is committed to provide a safe and comfortable travel experience. In addition, the company is committed to work rigorously on safeguarding customer's integrity.*

Ownership of commitment

It is unclear who is responsible for the company's commitment or to which parts of the company it applies.

Prevention systems

The company has allocated some resources to ensure customers safety that includes:
 - Security controls for cargo hold and on-board luggages: Avianca Holdings implemented all the measures required by the TSA throughout its operation during 2017, in order to avoid the pass of terrorist groups.
 - Monitoring & Security systems in place on aircrafts: Avianca Holdings on the Security and Compliance Management indicator, with which the Company can monitor the management of closure of deficiencies in appropriate times to maintain a level of security and compliance.
 - Audits/Security certifications: the Company certifies its management and operational control system through the IATA's operational safety Audit Programme.

Coverage of the prevention systems

There is no evidence that these measures are implemented throughout the company.

Crisis management system

Information obtained from the company and public sources regarding crisis management system is insufficient.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Transparency and trends of indicators relative to customer safety

The company does not disclose any indicator relative to the outcomes of its customer safety policy.

Leadership	31
Visibility	65
Relevance	30
Ownership	0

Implementation	20
Means & resources	15
Coverage	30

Results	35
Performance	65
Trends	0

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C&S1.3 Responsible Customer Relations

(score: 35, weight: 3)



Visibility of commitment

The company refers to responsible customer relations in its: *Annual Report.*

Relevance of commitment

The company's commitment on responsible customer relations addresses part of the issues for this sector, including:

- Ensure client satisfaction
- Prevent abusive sales practices
- Ensure the reliability of the service
- Ensure timely, fair and transparent treatment of complaints

Ownership of commitment

The commitment applies throughout the company and is supported by senior management.

Means allocated to ensure that contractual agreements are respected

The company has set up some measures to ensure that customers are treated appropriately and that contracts are respected, including:
 - Real-time information to customers on cancellation & delay: the Company has implemented an automatic process of notification of flights, cancellations, rearrangements and delays (through emails).

Coverage of the measures implemented

There is no evidence that these measures are implemented throughout the company.

Complaints management system

There is a formalised and accessible system to handle complaints.
In addition, the Company has a process to classify the type of complaint depending on the type of process (Contact Center, airports, VIP rooms, commercial and frequent flyer program).

Customer satisfaction

Information disclosed on performance indicators such as client satisfaction or client retention is insufficient.
The Company has its own Complaint index and it has been published for 2017. The Complaint Index for 2017 was 29.37, while its goal for that year was 21.81.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	30
Visibility	30
Relevance	30
Ownership	30

Implementation	30
Means & resources	30
Coverage	30

Results	46
Performance	46

C&S2.2 Sustainable Relationships with suppliers

(deactivated)

This Sustainability Driver is only analysed for large companies in the Travel & Tourism Emerging Market sector: it is therefore not analysed for Avianca Holdings.

C&S2.3 Integration of environmental factors in the supply chain

(deactivated)

This Sustainability Driver is only analysed for large companies in the Travel & Tourism Emerging Market sector: it is therefore not analysed for Avianca Holdings.

C&S2.4 Integration of social factors in the supply chain

(score: 28, weight: 3)



Visibility of commitment

The company has issued a formalised commitment to including social factors in supply chain management in its:

Code of Ethics.

Relevance of commitment

The company's social requirements for suppliers only address some of the relevant issues in the sector:

- Freedom of association and right to collective bargaining
- Abolition of child labour
- Abolition of forced labour
- Non-discrimination
- Health and Safety
- Decent wages
- Working hours
- Other rights (e.g. prevention of cruel, degrading and inhuman behaviour, etc.)

Ownership of commitment

The commitment applies throughout the company and is supported by senior management.

Means allocated to integrate social issues in the supply chain

The company has set up limited measures to include social factors in supply chain management:

- integration of social issues into contractual clauses
- supplier questionnaires
- supplier support (training, technical assistance, etc.)
- training/awareness raising of employees in charge of purchasing
- non-compliance procedures for suppliers (re-auditing, re-training, eventual ending of contracts)
- risk assessments for suppliers

- *Supplier questionnaires* : suppliers are evaluated through a programme that includes an assessment of the integration of social factors.
 - *Supplier support*: the suppliers with bad marks received support from Avianca Holdings in order to improve their behaviour.

Audits of suppliers or subcontractors

Information obtained from the company and public sources regarding social audits of suppliers is insufficient.

Coverage of the social audits

Information obtained from the company and public sources regarding the percentage of the company's suppliers covered by social audits is insufficient.

Share of corrective measures vs problems uncovered

The company does not disclose quantitative data on the share of social problems in the supply chain that were addressed by corrective measures.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	39
Visibility	65
Relevance	30
Ownership	30

Implementation	11
Means & resources	15
Coverage	0

Results	35
Performance	35

C&S3.1 Prevention of corruption

(score: 61, weight: 1)



Visibility of commitment

The company has issued a formalised commitment to preventing corruption in its Anti-Corruption Policy. In addition, the Company is a signatory of the Global Compact and communicates on this principle.

Relevance of commitment

The company's commitment to preventing corruption addresses its main responsibilities, referring to recognised standards:

- giving / receiving bribes
- restriction of facilitation payments
- gifts and invitations
- extortion
- fraud
- embezzlement
- money laundering
- conflicts of interest
- illegal financing of political parties
- prohibition of facilitation payments

The Company and all of its subsidiaries must understand and comply with the FCPA.

Ownership of commitment

The commitment applies throughout the company, supported by senior management.

the Legal Vice Presidency/General Counsel in coordination with the Human Talent Vice Presidency, the Financing Vice Presidency and the Shared Accounting Services Vice Presidency are responsible for coordinating with the areas directors in terms of identifying corruption risk levels and for ensuring the adoption of appropriate preemptive and corrective measures to address any identified corruption risks.

Involvement of employees

The company has instituted formal training programmes for relevant employees on corruption prevention.

The Legal Vice Presidency in coordination with the Human Talent Vice Presidency carries out trainings of compliance on the anti-corruption policy to the relevant employees.

Means allocated

The company has set up internal controls to prevent corruption that include:

- approval procedures for gifts, etc. by an independent department
- external audits (by an independent, external specialised organisation)

- external investigations of allegations
- the possibility to contact internal audit, legal or compliance departments directly & confidentially
- a dedicated confidential hotline or email address
- internal audits (internal verification of compliance with the company's code of conduct etc.)
- risk assessment of company vulnerability
- due diligence on joint ventures
- due diligence in evaluating contracts/suppliers
- systems for appointment/remuneration of agents
- identify and black list known bribe payers

- a dedicated confidential hotline or email address: the Company has implemented an Ethic Line to reports the violation to the Code of Ethics and Anti-Corruption Policy.

- internal audits: the Company verifies the effectiveness of the compliance controls and risk management to the administration through the internal audit area of the Company.

- risk assessment of company vulnerability: the Company has an Integral Security Management Strategy, risks, ethics and compliance in place. In addition, the board adopted the new Policy of the Integral Risk Management System, which seeks to define the guidelines and framework of action for the management of different risks (including ethical) to which the Company is exposed.

- due diligence in evaluating contracts/suppliers: The company ensure that the suppliers are aligned with the Code of Ethics.

Coverage

The measures implemented cover all significant parts of the company as well as sales agents and business partners.

the Anticorruption Policy and Code of Ethics applies to all the Company and all of its Collaborators (including sales agents and business partners).

Reporting

The company does not disclose any quantitative data on the number or nature of corruption incidents reported internally.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	76
Visibility	65
Relevance	100
Ownership	30

Implementation	63
Means & resources	48
Coverage	100

Results	43
Performance	43

C&S3.2 Prevention of anti-competitive practices

(score: 14, weight: 2)



Visibility of commitment

The company does not disclose any commitment to preventing anti-competitive practices.

Relevance of commitment

The company does not disclose any commitment to preventing anti-competitive practices.

- Market-sharing
- Abuse of dominant position
- Dumping
- Industrial espionage
- Price-fixing
- Non respect of confidential agreements

Ownership of commitment

The company does not disclose any commitment to preventing anti-competitive practices.

Involvement of employees

Information obtained from company and public sources regarding reporting involvement of employees in preventing anti-competitive practices is insufficient.

Means allocated to prevention of anti-competitive practices

Information obtained from the company and public sources regarding reporting mechanisms to monitor anti-competitive behaviour is insufficient.

- approval procedures for contract prices etc. by an independent department
- the possibility to contact internal audit, legal or compliance departments directly & confidentially
- a dedicated confidential hotline or email address
- risk assessment of vulnerability areas within the company
- internal audits (internal verification of compliance with the company's code of conduct etc.)
- external audits (by an independent, external specialised organisation)
- external investigations of allegations

Coverage to means allocated to prevention of anti-competitive practices

Information obtained from the company and public sources regarding the percentage of the company covered by such controls and programmes is insufficient.

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Reporting

The company does not disclose any quantitative data on the number or nature of antitrust incidents reported internally.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	0
Visibility	0
Relevance	0
Ownership	0

Implementation	0
Means & resources	0
Coverage	0

Results	43
Performance	43

C&S3.3 Transparency and integrity of influence strategies and practices

(score: 12, weight: 2)



Visibility towards stakeholders

The visibility of the company's commitment to ensuring transparency and integrity of lobbying practices is insufficient.

Comprehensiveness of the commitment

The company does not disclose any commitment to ensuring transparency and integrity of lobbying practices.

- to prevent any contrast with public international conventions (UN, ILO, OECD)
- not obtain or try to obtain information, or any decision, dishonestly
- not to misrepresent themselves to mislead third parties and/or staff of public authorities
- openly declare the company's business interests
- ensure that information provided is up-to-date, complete and not misleading
- not induce staff of PA to contravene rules of behaviour applicable to them
- if the company employs former staff of PA, to respect their obligation of confidentiality
- to be transparent on the amounts of donations to political parties/organisations

Ownership of commitment

The company does not disclose any commitment to ensuring transparency and integrity of lobbying practices.

Involvement of employees

Information regarding the involvement of employees in ensuring transparency and integrity of lobbying practices is insufficient.

Measures allocated

Information regarding measure allocated to ensure transparency and integrity of lobbying practices is insufficient.

- publication of detailed information on lobbying activities
- approval procedures for gifts, travel or other privilege by an independent department
- a dedicated confidential hotline or email address
- internal monitoring for lobbying budget
- internal audits for lobbying activities
- independent party for monitoring lobbying budget/external audit
- external investigations of allegations
- disclosure of the positions in the period of preparation of a debate and during the debate

Coverage

Information regarding the percentage of the company covered by such controls and measures is insufficient.

Reporting

The company does not disclose the budget directly and indirectly dedicated to lobbying practices.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Leadership	0
Visibility	0
Relevance	0
Ownership	0

Implementation	0
Means & resources	0
Coverage	0

Results	35
Performance	35

Corporate governance

Score: 30

CGV1.1 Board of Directors

(score: 29, weight: 3)



[LISTED COMPANIES] Existence and independence of Nomination Committee No specific committee is in charge of director nomination, which might raise concerns.

Independence of the Board Chairman The roles of Chairman and CEO are separated, but the chairman is not considered independent.

Responsibility allocated over CSR issues Information on the responsibilities allocated over CSR issues is insufficient.

Share of independent shareholder-elected Board members The Board is between 0 and 20% independent, which might raise concerns. Two members of the 11-member Board are considered independent.

Diversity of the skills and backgrounds of the Board

The Board of Directors diversity appears to be partial:

- At least 30% of directors are women
- At least 40% of directors are women
- Employee representative(s) sitting on the Board
- Board members with demonstrated professional experience in the company's sector of activities
- Board members with demonstrated expertise on CSR issues

- Board members with demonstrated professional experience in the company's sector of activities: Mr Robert Kriete has experience in the airline industry as founder and board member of Volaris in Mexico; Chairman of the Board and CEO of Grupo TACA and President of the Latin American and Caribbean Air Transport Association (ALTA).

Training and expertise provided to board members Information obtained from company and public sources regarding training provided to board members is insufficient.

Regular election of Board members Board members are eligible for re-election every year.

Evaluation of Board's functioning and performance Performance is not evaluated regularly.

The formal CSR reporting has been signed by CEO/Chairman/Board, but there is no evidence that relevant CSR issues are reviewed at Board meetings.

- Existence and relevance of the review of CSR issues at board meeting**
- Contractual customer rights
 - Working time models
 - Social dialogue
 - Energy efficiency
 - Operations safety

Regularity of and attendance at Board meetings

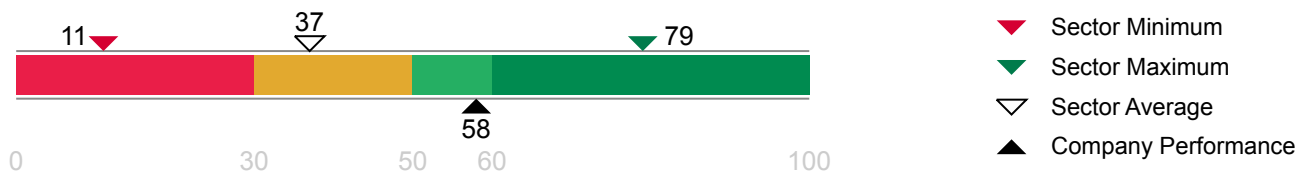
Regular meetings are held, and attendance rates are above 90%

16 Board meetings were held during 2016 and the attendance rate was 98,7%

Name of Board member	Role	Executive	Non executive	Employee representative	Nomination	Audit	Remuneration	Former executive	> 9 years on Board	Stock options	Paid>1/2 executive salary	Represent>3% company's shares	Other	Independency
Germán Efromovich	Chairman		X						X			X		
José Efromovich			X				X		X			X		
Roberto Kriete	Member of the Finance Committee		X				X		X			X		
Alexander Bialer	Member of the Finance Committee		X						X			X		
Raúl Campos			X						X			X		
Isaac Yanovich			X			X	X		X					
Álvaro Jaramillo	Member of the Finance Committee		X						X					
Juan Guillermo Serna	Member of the Finance Committee		X			X			X					
Ramiro Valencia			X						X					
Oscar Darío Morales	Member of the Finance Committee		X			X								X
James Peter Leshaw			X											X

CGV2.1 Audit & Internal Controls

(score: 58, weight: 2)



[LISTED COMPANIES] Existence and independence of Audit Committee

One members of the three-member Audit Committee are considered independent

Skills and backgrounds of Audit Committee members

Members appear to have financial and/or audit experience AND relevant operational experience.

Operational and CSR risks covered by the company's internal controls system

The internal control system covers the standard issues related to financial, operational, and legal risks. In addition, the system covers some of the CSR risks inherent to the company's business operations.

- Contractual customer rights
- Working time models
- Social dialogue
- Energy efficiency
- Operations safety

- *Social dialogue: the Company has integarted into its corporate risks of its risk management the labor relations. The risk management seeks to identify, analyze and monitor the risks related to this issue in order to mitigate them.*
 - *Operations safety: the Risk management is focuses on the management of risks that can generate incidents and/or operational accidents in the Company.*

Role of the Audit Committee in overseeing internal and external controls

The Audit Committee has a comprehensive role that includes:

- Oversee internal audit and internal controls
- Review accounting policies and be responsible for updates
- Nominate the statutory auditor
- Oversee the work of the external auditor
- Approve the type of audit and non-audit services provided and fees paid to the external auditor

Management of the CSR risks

Although the company has set up some measures, it has not gone beyond that to integrate CSR risks in its overall strategy.

- Balanced scorecard
- Risk-related training
- Monitoring of key risk indicators
- Reporting system to the Board
- Risk mapping/materiality assessment
- A Board Risk Committee with no executive part of it

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- materiality assessment: Avianca Holdings conducted a materiality analysis with the purpose of identifying the issues relevant to its business vision that generate value to its stakeholders.

Independence of the firm's external auditors

Non-audit fees represented 1% of total fees paid to EY in 2017.

Inclusion of CSR issues in the company's reporting

The company publishes significant CSR reporting on key material issues, with an independent third party assessment of the reliability of key performance indicators, with limited/moderate level of the assurance.

Deloitte assessed the reliability of key performance indicators, with limited level of the assurance in accordance with ISAE 3000.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver

CGV3.1 Shareholders

(score: 21, weight: 2)



<p>Nonexistence of voting rights restrictions</p>	<p>Minor voting rights restrictions have been identified. <i>The Company has Preferred shares, without voting rights.</i></p>
<p>Safeguards on transactions with major shareholder(s)</p>	<p>No safeguards appear to be in place, which might raise concerns with regard to the fairness of any such transaction.</p>
<p>Ability to add items to the agenda of the AGM and to convene an EGM</p>	<p>Major restrictions have been identified to convene an EGM. <i>An unreasonable level of share ownership (20%) required to call an Exceptional General Meeting</i></p>
<p>Access to voting at General Meetings</p>	<p>There are no major restrictions on shareholders' ability to vote, however there is no possibility of voting through online services.</p>
<p>Ability to vote on relevant issues in separate resolutions at AGM</p>	<p>Not all major items are put to a shareholder vote. <i>The following items are not put to a vote at the AGM:</i> - Board fees - Selection of external auditors - Executive remuneration</p>
<p>Presentation of CSR strategy to shareholders and investors</p>	<p>Information disclosed from the entity and public sources regarding the presentation of CSR strategy to shareholders and investors is insufficient.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Contractual customer rights <input type="checkbox"/> Working time models <input type="checkbox"/> Social dialogue <input type="checkbox"/> Energy efficiency <input type="checkbox"/> Operations safety
<p>Stakeholders' feedback</p>	<p>A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral <i>As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.</i></p>

CGV4.1 Executive Remuneration

(score: 14, weight: 2)



[LISTED COMPANIES] Existence and independence of Remuneration Committee

No executive is a member of the committee, but half or fewer are independent.
None members of the three-member Remuneration Committee is considered independent.

Disclosure of senior executives' individual remuneration

Executive remuneration is disclosed, but on a collective rather than on an individual basis.

Link between Short Term Incentive Plans and the performance of the company

There is no disclosure on what rules guide the company in allocating bonuses and other short-term incentives to senior executives.

Link between the main Long Term Incentive Plan and the performance of the company

Information on the rules and performance conditions guiding the allocation of long-term incentives to senior executives is insufficient.

Link between variable remuneration and CSR performance of the company

There is no disclosure on the links between variable remuneration of executive and the CSR performance of the company.

- Contractual customer rights
- Working time models
- Social dialogue
- Energy efficiency
- Operations safety

Severance pay for senior executives

Information obtained from company and public sources regarding severance pay for senior executives is insufficient.

Evolution of CEO-to-employee compensation ratio

Information obtained from company and public sources regarding the compensation of CEO and the average employee salary is insufficient.

The CEO compensation is not disclosed.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

As of 08/2018, Avianca Holdings did not appear to be involved in any controversy related to this sustainability driver.

Detailed Scores and Ratings

CURRENT AND PREVIOUS RATINGS

Period	Environment	Human resources	Human rights	Community involvement	Business behaviour (C&S)	Corporate governance
2018/08	=	=	++	=	=	+
2015/10	=	+	-	+	=	+

SCORES PER DOMAIN

Domain	Average Score	Leadership	Implementation	Results
Environment	38	40	45	12
Human resources	24	20	29	22
Human rights	41	45	24	53
Community involvement	29	42	26	21
Business behaviour (C&S)	28	27	17	39
Corporate governance	30	26	18	47

SCORES PER CRITERIA

Sub-domain	Criterion	Score
Environment 1	1	53
	2	7
	3	N/A
Environment 2	1	N/A
	2	33
	5	30
	6	41

Sub-domain	Criterion	Score
Human resources 1	1	24
Human resources 2	3	12
	4	38
Human resources 3	2	35
	3	9

Sub-domain	Criterion	Score
Human rights 1	1	47
Human rights 2	1	28
	4	47

Sub-domain	Criterion	Score
Community involvement 1	1	33
	1	N/A
Community involvement 2	2	18

Sub-domain	Criterion	Score
Business behaviour (C&S) 1	1	29
	3	35
	2	N/A
Business behaviour (C&S) 2	3	N/A
	4	28
Business behaviour (C&S) 3	1	61
	2	14
	3	12

Sub-domain	Criterion	Score
Corporate governance 1	1	29
Corporate governance 2	1	58
Corporate governance 3	1	21
Corporate governance 4	1	14

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Overview of the latest updates

Date of the latest update	Information updated
2018/08	Carbon & Energy Transition
2018/08	Full ESG profile