



the sky is  
**Azul**



**Sustainability  
Report  
2023**



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# Introduction

Our passion for flying drives us to new heights. We are proud to showcase our projects, ideas, and accomplishments of 2023 in this Sustainability Report.

At Azul, everything we do is based on our principles and geared toward strengthening our vision of being the best airline in the world. Our mission is to provide our Crewmembers with a great work environment and ensure that our Customers have the best flight experience of their lives.

Come along on this journey with us and enjoy reading our report!

# Navigation guide

In this report, we have adopted international communication practices, such as the Global Reporting Initiative (GRI), Integrated Reporting (IR or IIRC), Sustainability Accounting Standards Board (SASB) aviation sector indicators, the United Nations Sustainable Development Goals (SDGs), and the Global Compact.

The GRI and SASB indicators addressed in the report are identified throughout the text, following the chapter headings. Additionally, this information can be located in the indicator tables at the end of the publication (pages 95 to 113), which include the item, its description, and the page where it is addressed.

🔗 Learn more at <https://www.globalreporting.org> and <https://www.sasb.org>.

## Terms and concepts

Throughout this report, the term “Azul” is used to refer to Azul S.A., Azul Linhas Aéreas Brasileiras S.A., and its direct and indirect subsidiaries. Occasionally, in specific topics, the companies will be directly identified. Additionally, we refer to our employees as “Crewmembers” and to our suppliers as “Partners”.

To make your reading experience even better, the beginning of each chapter contains some elements that reflect our commitments and strategic approach:

### Integrated report (capitals)

Inspired by the Integrated Reporting methodology, we work order aim to facilitate comprehensive communication regarding the elements that impact the sustainability of our business and other pertinent aspects for various Stakeholders. We highlighted the factors that interfere with our ability to generate value over time based on the combination of six capitals (financial, manufactured, human, intellectual, social & relationship, and natural). We will indicate which capitals are being addressed in each chapter.

🔗 Learn more at <https://relatointegradobrasil.com.br>

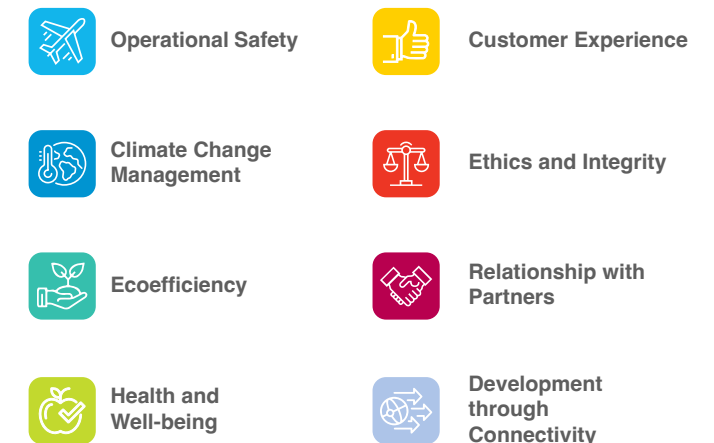
### Sustainable Development Goals (SDGs)

We are identifying the priority SDGs for Azul that are relevant to the report’s content through icons. A map containing our SDG-related content can be found on page 7.

🔗 Learn more at <https://nacoesunidas.org/pos2015/>

### Materiality

The material topics are addressed clearly throughout the report content. Explore Azul’s materiality on pages 5 to 7.



### Global Compact

We will demonstrate how the content of each chapter relates to the Ten Universal Principles of the Global Compact, a UN initiative. Azul is committed to the initiatives that are part of the Compact, such as *Elas Lideram* (She Leads), which aims to increase women in leadership positions, and *Raça É Prioridade* (Race is a Priority), which aims to foster diversity within the company and industry.

# About the report

GRI 2-3, 2-6

A journey begins with a single step. Welcome to the Sustainability Report of the first company in Latin America to have its decarbonization goals approved by the SBTi (Science Based Targets Initiative).

In this document, we will present what we have done throughout 2023 to strengthen the vision and values that permeate the daily operations of Brazil's most on-time airline. The reporting period covers January 1st, 2023, to December 31st, 2023, on an annual basis, with financial reporting published during the same period. This report was published in April 2024.

The selection of information in this Sustainability Report was guided by Azul's material topics and reviewed by Azul's ESG Committee before publication. The report also underwent external verification, and the Compliance Statement can be found on page 114.

If you have any questions or concerns regarding the content of this report, please contact us through the email: [sustentabilidade@voeazul.com.br](mailto:sustentabilidade@voeazul.com.br).

Happy reading!



## Materiality

GRI 3-1; 2-29

Azul's materiality process involves important communication with Stakeholders to understand their main concerns and incorporate them into our designed strategies. Among the consulted audiences are: Crewmembers, investors, clients, partners, suppliers and others.

Lobbying activity is not regulated in Brazil; therefore, we contribute to the sector's sustainable development with a special focus on climate change by participating in sectoral associations, advocacy efforts, and engaging our Stakeholders. To achieve this, we publicly disclose these in our public reports and integrate associations that are aimed towards these purposes. We publicly share our governance frameworks, outlining clear responsibilities up to the executive level, for engagement in public policies. This includes a review process and monitoring to ensure alignment of public policy commitments with national and

international guidelines. Additionally, we have a clear framework in place to address any discrepancies between the policy positions of business associations on climate change and our own stance on climate issues.

The consultation methods included:

- Individual interviews
- Focus groups
- Workshops
- Public consultations
- Surveys
- Opinion polls
- Online consultations
- Public opinion research
- Stakeholder mapping
- Site visits
- Field research
- Advisory committees
- Internal document analysis
- External document analysis
- Complaint mechanisms

The most recent process was conducted in 2022 using the double materiality methodology and is subject to review every four years. The results were externally audited. Criteria for prioritizing topics and their impacts included probability and severity (intensity, extent, reversibility), probability and magnitude, and relevance to stakeholders. The Board of Directors oversaw the process and approved the final list.

Azul's material topics are:

- Operational Safety
- Ethics and Integrity
- Customer Experience
- Health and Well-being
- Development through Connectivity
- Relationship with Partners
- Ecoefficiency
- Climate Change Management



**The last process was carried out in 2022 based on the double materiality methodology and is reviewed every four years**

Material theme	Theme definition	Connection with Azul values	UN SDGs
<p><b>1</b> <b>Operational safety</b></p>	<p>Risk management and promotion of safety, Customer service, and regulations.</p>	<p><b>Security</b></p>	
<p><b>2</b> <b>Ethics and Integrity</b></p>	<p>Promotion of ethical business relationships (fair competition and combating smuggling and corruption).</p>	<p><b>Consideration Integrity</b></p>	 
<p><b>3</b> <b>Customer Experience</b></p>	<p>Customer service, communication and interaction along the customer journey, with differentiated services and service channels.</p>	<p><b>Consideration Passion Excellence</b></p>	
<p><b>4</b> <b>Health and Well-being</b></p>	<p>Occupational safety, health, and well-being, quality of life for all Crewmembers.</p>	<p><b>Security</b></p>	 
<p><b>5</b> <b>Development through Connectivity</b></p>	<p>Improving access to transportation in isolated regions (providing routes), facilitating transportation for health professionals, and supporting local economic development.</p>	<p><b>Passion Excellence</b></p>	   
<p><b>6</b> <b>Relationship with Partners</b></p>	<p>Ethical relationship with suppliers and associates, adding value to our strategic partnerships.</p>	<p><b>Consideration</b></p>	
<p><b>7</b> <b>Ecoefficiency</b></p>	<p>Minimizing the use of materials and waste generation, promoting circular economy.</p>	<p><b>Innovation</b></p>	
<p><b>8</b> <b>Climate Change Management</b></p>	<p>Enhancing operational efficiency (including fuel usage, fleet modernization, sustainable fuel incorporation, among others) to reduce emissions.</p>	<p><b>Innovation</b></p>	 

+ PRIORITY

- PRIORITY

# Summary of the year

Challenges, resilience, opportunities, and restructuring. These were some of the keywords that defined 2023 for Azul. In a global scenario filled with hurdles, still grappling with the lingering effects of the pandemic for airlines worldwide, Azul received international awards due to a successful financial restructuring agreement, which ensured, among other possibilities, the resources needed to advance the company's sustainability agenda initiatives.

We experienced a 17.2% growth in 2023, proving the relevance of our contribution to national development. We increased the number of flights by 6%, grew our crew by 12.6%, and launched new and significant domestic and international routes, such as Paris and Curaçao. We increasingly focus on the technology of our business and always prioritize profitability and smart use of our resources.

Consolidated passenger traffic (RPKs, or Revenue Passenger Kilometers) increased by 12.2% compared to December 2022, against a capacity increase of 11.2% (ASKs, or Available Seat Kilometers), resulting in a load rate of 80.4%, a 0.7 percentage point increase compared to the same period in 2022.

Despite the expansion of our operations, we were able to demonstrate the effectiveness of our efforts to reduce emissions by achieving a 7% decrease in the CO<sub>2</sub> emission rate relative to consolidated passenger traffic compared to 2022.

Azul prioritizes the well-being of its Crewmembers and environmental sustainability. In 2023, we avoided emitting 110 thousand tons of CO<sub>2</sub> through an innovative and creative fuel-conscious program. We currently operate Brazil's most modern fleet of aircraft, maintain our position among the world's most on-time airlines, and hold the title of the second most on-time airline globally and the most on-time in Brazil.



**In 2023, our overall revenue saw a significant boost of 17.2%, underscoring our substantial contribution to national development. We expanded our flight operations by 4% and bolstered number of Crewmembers by 12.6%. Additionally, we introduced new domestic and international routes, including destinations such as Paris and Curaçao. Our increasing focus on leveraging technology in our operations is evident, all while prioritizing profitability and the efficient utilization of our resources.**







# Message from the CEO

Our original dream has evolved into a remarkable purpose. In a dynamic sector constantly striving for excellence, in 2023 we reaffirmed our commitment to providing the best experience for our Customers, leading the transformation of the aviation industry towards a more sustainable and inclusive future.

# Being the best airline in the world, and for the world

It has been 15 years since I arrived in the country. In our initial business plan, we brought a dream of building an airline that truly embodied Brazil's identity and connected all regions. A company that aimed to be the world's best airline, but especially, the best for the world.

Since then, a lot has happened, transforming both aviation and the Brazil itself. The exchange rate was different, projections were completely different, and the market itself was considerably smaller. For example, in 2009, the aviation sector as a whole transported approximately 50 million Customers, while in 2023, Azul alone was responsible for transporting approximately 29.3 million.

Looking at the sector, always marked by vigor and constant pursuit of excellence, 2023 undoubtedly reinforces our leadership and positioning. For yet another year, we are the largest airline in Brazil in terms of the number of destinations and flights operated. We serve over 160 cities, being the only airline present in approximately 100 of them, with more than 16,000 Crewmembers and approximately 900 flights operated every day, committed to providing an exceptional travel experience to our Customers. We also constantly seek to improve our operations with innovation and sustainability and expand the number of destinations connecting Brazil and the world.

In this regard, we received extremely symbolic and important news that reaffirms the company's leadership in sustainable initiatives. In December, we had the honor and satisfaction of announcing Azul's pioneering status as the first airline in Latin America to have its medium-term decarbonization goals – aligned with the 1.5°C ambition of the Paris Agreement - approved by the SBTi (Science Based Targets Initiative), a United Nations initiative that mobilizes corporations to adopt science-based targets for reducing their greenhouse gas emissions. Furthermore, Azul was included in the B3 Corporate Sustainability Index for the third consecutive year, positioning us as a benchmark for excellence and commitment to the community and the environment.

The company has been continuously investing in technology and actions that contribute to reducing carbon emissions and preserving the environment. Among these actions, I highlight the Zero APU Program. The Auxiliary Power Unit (APU) is an auxiliary engine, usually located at the tail of some aircraft, which is activated to keep systems running when the aircraft is on the ground. Through the program, our bases adopt a set of actions to minimize APU usage during boarding and deplaning of flights, consequently resulting in a considerable reduction in carbon emissions.

We also continue to be recognized for our leadership and innovation in the industry. For the second consecutive year, in 2023, the company was among the most on-time in the world according to the Cirium survey, a global reference in aviation industry analysis, being the first in Brazil and the second internationally. We also received the Experience Awards in the air mobility category, highlighting our commitment to excellence in customer experience.

Beyond that, I always say that our greatest legacy lies in the social role of our operations. When Azul expands its operation or reaches a new destination, it generates direct and indirect jobs, offers more opportunities for people in the region in terms of work, accessibility, tourism promotion, and local growth. Therefore, 2023 also marked the consolidation of a series of initiatives such as the ARA Movement - All the Amazons under the Same Sky - which demonstrates Azul's commitment to promoting sustainable development in the communities where it operates. By strengthening a local sociobioeconomy, the movement connects local producers from different regions of the country with global markets, reducing intermediaries. This aims to increase producers' income while respecting biodiversity and contributing to forest conservation.

None of this would be possible without the care and proper attention to the company's financial situation.

Therefore, one of the most significant milestones in 2023 was the implementation of a financial restructuring plan arising from a financially complex post-COVID-19 global scenario, where the company included debt renegotiation and the issuance of bonds, strengthening our financial health and positioning the company for future growth, attracting investment and safeguarding long-term sustainability. In recognition of these efforts, Azul was awarded several awards, demonstrating its capacity for innovation, governance and financial management.

In summary, it is increasingly clear to me how much that initial dream has become a great purpose, and from it, we continue to offer the best customer experience, with high-quality services, driving economic and social development in Brazil, and leading the transformation of the aviation sector towards a more sustainable and inclusive future.



**John Rodgerson**  
CEO of Azul Linhas Aéreas



# Azul

Founded in 2008, Azul Linhas Aéreas S.A is the largest airline in terms of the number of domestic destinations served, operating over 900 daily domestic and international flights to 158 destinations. In 2023, we achieved the distinction of being voted the second most on-time airline globally. Our team consists of over 13,000 Crewmembers, and our fleet consists of 183 aircraft. With our services, we cater to 30 million passengers and transport 144 million tons of cargo annually.



## VISION

Together, build the best airline in the world.



## MISSION

Make Azul the best job of our lives and the best flight for our Customers.



## VALUES

### SAFETY

Nothing is more important

### CONSIDERATION

Treat others as they would like to be treated.  
Observe, perceive, and attend

### INTEGRITY

Be a good example

### PASSION

Love what you do

### INNOVATION

Be open-minded and strive to do better every day

### EXCELLENCE

Be great at what you do.

# Who we are

GRI 2-1, 2-6

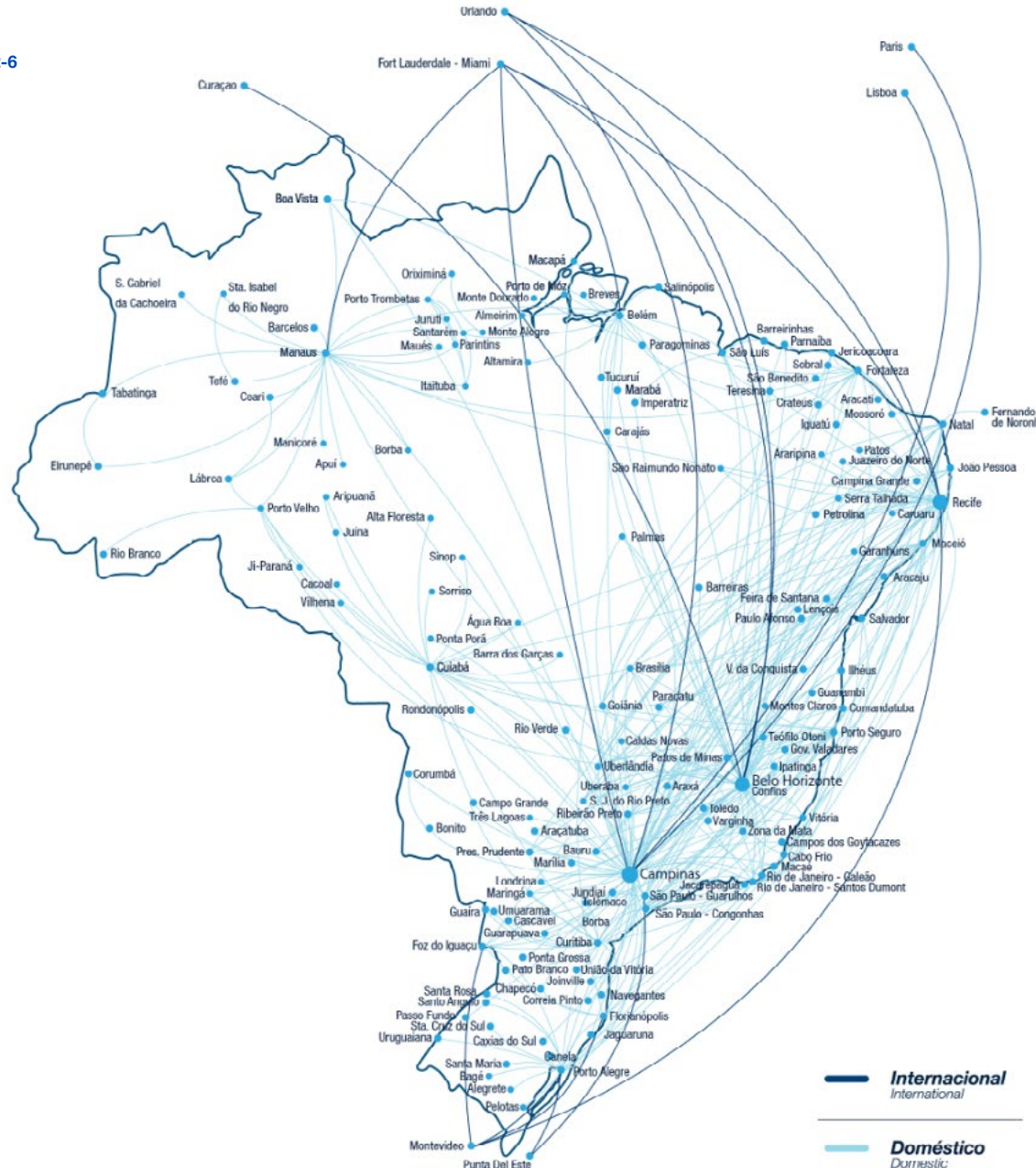
Founded in 2008, Azul Linhas Aéreas S.A is the largest airline in terms of the number of domestic destinations served, operating an average of 880 daily domestic and international flights to 160 destinations. In 2023, we achieved the distinction of being voted the second most on-time airline globally. Our team consists of over 16,000 Crewmembers, and our fleet consists of 183 aircraft. With our services, we cater to 30 million passengers and transport 144 million tons of cargo annually.

Our headquarters is located in Barueri (São Paulo, Brazil), and we currently operate in all regions of Brazil. In many of the areas covered by our networks, we are the only airline providing services. Additionally, we offer international routes to destinations such as France, Curaçao (Caribbean), Portugal, the United States, and Uruguay.

We still operate synergistically and complementarity through four business units with specific functions: Azul Conecta, Azul Fidelidade, Azul Viagens, and Azul Cargo Express (see more below).



In 2023, we expanded our presence and connectivity both domestically and internationally. We introduced flights to destinations such as Paris and Curaçao.



## MAIN ROUTES IN FLIGHT NUMBERS

International Routes

**15**

Main hubs:

**3**

Increase in flights in 2023

**4.1%**

Number of passengers in 2023

**30 million**

Daily flights in 2023

**880**

Number of tons of cargo in 2023

**144 million**

# Business units GRI 2-6

Azul's main activity is the transportation of passengers through its subsidiary Azul Linhas Aéreas. The organization is divided into five distinct business units: Azul Linhas Aéreas, Azul Conecta, Azul Fidelidade, Azul Viagens, and Azul Cargo Express, each with its area of operation outlined below. This strategic segmentation enables the company to deliver a broad range of aviation and logistics services. It operates within a comprehensive structure that enhances the effectiveness of its services and ensures financial stability.



**There are five business units: Azul Linhas Aéreas, Azul Conecta, Azul Fidelidade, Azul Viagens, and Azul Cargo Express**



## Azul Linhas Aéreas

Based in Barueri, São Paulo, Azul is Brazil's largest airline in terms of flights and cities served, having a vast network of flights to over 160 destinations both domestically and internationally, with approximately 900 daily flights. Our primary operational centers are situated at Viracopos, Confins and Recife airports.

Operating with a fleet of 160 aircraft and employing over 16,000 Crewmembers, we manage a comprehensive network of more than 300 routes. Our fleet comprises ATR-72, Embraer E-Jets, A320Neo, and Airbus A321neo aircraft for domestic and regional services, supplemented by Airbus A330.

In 2020, Azul was honored with the TripAdvisor Travelers' Choice award for the **world's best airline**, being the only Brazilian company to receive this recognition. Additionally, in 2022, Azul was recognized as the most on-time airline in the world, and in 2023, it was the second most on-time airline globally.

In 2023, we underwent a revolutionary financial restructuring, facilitating growth and fortifying our partnerships.



## Azul Conecta

Azul Conecta focuses on providing scheduled flights to cities that are often overlooked by most traditional air transportation services. Essentially, Azul Conecta aims to enhance connectivity between different regions of the country while further engaging in transportation logistics and aircraft chartering.

Established following the acquisition of TwoFlex in August 2020, Conecta operates a fleet comprising 24 Cessna Grand Caravan aircraft and 3 cargo planes. This fleet is capable of serving a total of 72 exclusive routes.

Some of the destinations served by Azul Conecta include Jacarepaguá, Santa Izabel do Rio Negro, Aripuanã, Trompetas, and Oriximiná.

[🔗 Learn more about Azul Conecta by clicking here.](#)

# Azul Fidelidade

## Azul Fidelidade

Established in 2009, Azul Fidelidade is dedicated to offering Customers the opportunity to accumulate points for airline tickets, services, and merchandise.

The program comprises four membership tiers: Basic, Topaz, Sapphire, and Diamond, each providing a range of options with numerous partners associated with the program. Furthermore, members can benefit from the Azul Club, a monthly subscription enabling point accumulation for future use, along with access to exclusive advantages and discounts. Furthermore, various promotional offers are available.

In 2023, we witnessed substantial growth, with our total membership exceeding 16 million individuals, marking an increase of 10.4% compared to the previous year's redemptions.

We offer Customers the opportunity to earn points through various methods, enabling them to plan their next journey by redeeming these points for airline tickets, items, or assistance.

[Here](#) you can find additional information about the Azul Fidelidade program.



## Azul Viagens

In 2023, we opened 54 new stores, bringing our total to 101 locations across Brazil, with an additional one overseas in Lisbon, Portugal. Azul Viagens, our tour operator, offers Customers itineraries to over 100 domestic and international destinations, covering every aspect of the traveler's journey, from air tickets to hotels, transportation, and tours.

In addition to partnerships with common destinations beloved by Brazilian tourists such as Disney, Universal, SeaWorld, and other parks in Florida (United States), we boost tourism in small cities where only Azul operates. This initiative generates income and creates both direct and indirect job opportunities.

Our sales in 2023 exceeded the R\$ 1.9 billion mark, marking a significant increase compared to the R\$ 1.3 billion from the previous year. Currently, Azul Viagens operates more than 21 exclusive flights.

[For more information about Azul Viagens, click here.](#)



## Azul Cargo Express

Azul Cargo, our transportation and distribution division, holds a 33% market share in the national market. With a fleet of seven aircraft (2 Boeing 737s and 5 E1 freighters), we also utilize the cargo space of Azul's commercial flights, making us the primary logistics provider for cargo transportation in Brazil, reaching over 90% of the Brazilian population.

Since its establishment in 2009, Azul Cargo has consistently invested in ensuring the safety and efficiency in the shipping and receiving of goods and parcels for our Customers.

In 2023, we managed to transport a volume of 144 million tons of goods and provide services to more than 5,000 municipalities, operating 289 branches nationwide.

[You can find more information about Azul Cargo here.](#)



## INPUTS

### Financial Capital

- Revenues
- Investments
- Financing
- Tax incentives (ICMS)

### Manufactured Capital

- Airline network operation
- Airport operation bases
- Maintenance hangars
- Aircraft
- Azul Cargo and Azul Viagens Franchise Network
- Corporate University (UNIAZUL)
- Ground support equipment

### Intellectual Capital

- Trained professionals
- Innovation research in partnerships with companies and universities
- Loyalty program
- Processes and procedures

### Human Capital

- Crewmembers

### Social and Relationship Capital

- Suppliers
- Government and regulatory bodies
- Customers
- Investors
- Lessors

### Natural Capital

- Fuel
- Electric power
- Water resources
- Atmosphere
- Raw material

## BUSINESS MODEL



### Mission

Make Azul the best job of our lives and the best flight for our Customers.



### Vision

Together, build the best airline in the world.

### Business Activities

- Passenger and cargo transportation
- Tourism agency
- Aircraft maintenance and repair

### Products and Services

- Aviation and logistics services
- Tourism

### Values

- Safety: Nothing is more important
- Consideration: Treat others as they would like to be treated. Observe, perceive, and attend
- Integrity: Be an example of goodness
- Passion: Love what you do
- Innovation: Be open-minded and improve every day
- Excellence: Be impeccable in what you do



## IMPACTS

▲ Positive ▼ Negative

### Financial Capital

- ▲ Shareholder Remuneration
- ▲ Costs of the Energy Transition
- ▼ Legal Actions

### Manufactured Capital

- ▲ Increase in Service Capacity
- ▲ Connectivity and Socioeconomic Development
- ▼ Waste Generation

### Intellectual Capital

- ▲ Development of New Technologies
- ▲ New Services and Products
- ▲ Increase in Operational Efficiency

### Human Capital

- ▲ Best Product and Service
- ▲ Excellence in Customer Experience
- ▲ Safety and Airworthiness

### Social and Relationship Capital

- ▲ New Business Opportunities
- ▲ Inclusion of People in the Labor Market
- ▲ Synergy with National Public Policies
- ▲ Positive Socio-environmental Impacts

### Natural Capital

- ▲ Promotion of Biofuels
- ▲ Efficient Use of Natural Resources
- ▲ Circular Economy
- ▼ GHG Emissions and Particulate Matter

The impacts can be negative, when the activity results in changes that cause some type of harm to the company, society, or the environment. Or they can be positive, when they result in improvements.

# Azul in numbers

## Route network

More than  
**880**  
daily flights

**112**  
domestic  
destinations

More than  
**160**  
destinations

**30** million  
Customers  
served

**144** million  
tons of cargo  
transported

## Fleet

**183** commercial  
aircraft in operation with  
an average age of  
**7.6** years (excluding  
Cessna aircraft)

**4** hangars:  
Campinas (SP),  
Pampulha (MG),  
Manaus (AM)  
and Cuiabá (MT)

**The largest  
hangar**  
in Latin America,  
located in Campinas (SP)

## Customers

**16**  
million  
Azul  
Fidelidade  
Customers

**72** routes  
exclusively  
served by  
Azul Conecta

**287**  
Azul Cargo **stores**  
**5,864**  
Azul Viagens **agencies**

## Results

**R\$ 18.7 billion**  
in net revenue

**R\$ 5.2 billion**  
in adjusted EBITDA

## Partners

**5,481** Partners  
**84.53% national**  
(4,633 Partners)

**15.47% International**  
(848 Partners)

## Crewmembers

**16,010**  
Crewmembers

**2,250**  
Pilots

**3,539**  
Flight  
Attendants

**3,281**  
Airport  
Staff

**2,273**  
Maintenance  
Team

**818**  
AzulCenter  
staff

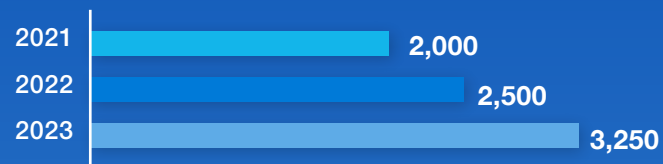
**3,849**  
Areas

## Azul Cargo

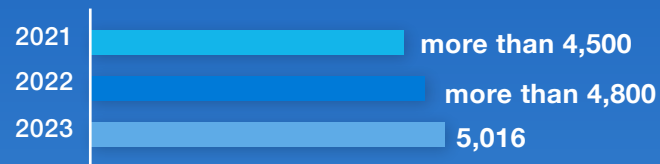
### Tons of cargo transported



### Destinations with deliveries within 48 hours

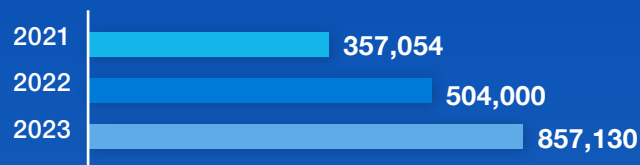


### Municipalities served

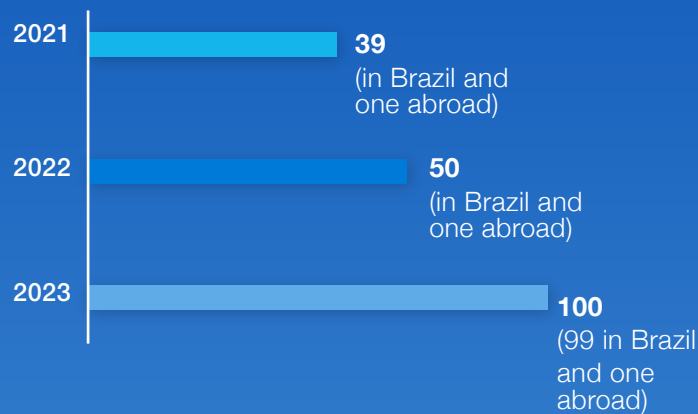


## Azul Viagens

### Customers served



### Stores in Brazil and abroad (Reference month: December)



## Azul Fidelidade

### Program members (in millions)



## Azul Conecta

### Aircrafts



# 15 years of Azul sky

## EMBARK ON ANOTHER JOURNEY WITH US

### FIRST FLIGHT

- On December 15th, its first flight took off from Campinas (SP) to Salvador (BA), on the Brazilian aircraft Embraer 195.
- Choice of its name Azul, through the contest "You Choose" open in 2008 to Brazilians and which had over 140 thousand submissions.



### THE SKY IS FOR EVERYONE

- On March 1st, the first interior cities of SP (Ribeirão Preto and São José dos Campos) received flights with turbo props (ATRs) - significant for being able to bring air service to smaller cities.
- Azul's tourism Business Unit (Azul Viagens) is created.



### AZUL & TRIP

A year of one of the most successful mergers in the market, between Azul and Trip, which enabled over 100 cities to have regular flights.

### WELCOME, A320!

- On October 20th, the first A320 arrives, for long-distance domestic routes, making Azul's fleet even more efficient and diversified.
- Start of flights to Montevideo and Lisbon.



### 10 YEARS OF AZUL

Celebrating its 10th anniversary, being elected 7 times as the Best Low Cost Airline in South America (Skytrax), the Best Airline in Latin America (Kayak), and the Third Best in the World (TripAdvisor).



### THE MOST PUNCTUAL IN THE WORLD

- Recognized as the world's most punctual airline (Cirium).
- Azul Cargo presents the first Embraer Class F freighter in history.
- The Donald Duck in the Clouds and Daisy Duck in the Clouds planes join the World's Most Magical Fleet.



### FIRST INTERNATIONAL FLIGHT

With the arrival of the Airbus A330 Wide Body, we made our first flights to international destinations: Fort Lauderdale on December 1st, and Orlando on December 14th.



### AZUL GOES PUBLIC

Azul goes public and its shares start trading on the stock exchanges of Brazil and New York.

### CREATING NEW TALENTS

On October 15th (Teacher's Day), Azul's corporate university, UniAzul, was inaugurated, with the capacity to conduct over 30,000 trainings per year using its own simulators



### THE WORLD GOT CLOSER

With commercial agreements with United, JetBlue, and TAP, Azul starts offering flights with connectivity within the USA, Europe, and Africa.



### ARRIVAL OF THE MAGICAL FLEET

- Launch of Mickey Mouse and Minnie Mouse planes, creating the World's Most Magical Fleet, celebrating Disney's 50th anniversary.



### NATIONAL AND INTERNATIONAL EXPANSION

- Azul increases its operations by over 100% at the country's busiest airport, going from 41 slots to 84 at Congonhas (SP).
- Start of routes: Campinas-Orly and Belo Horizonte-Curaçao.
- Reaches the milestone of 15,000 Crewmembers.



### ONE MILLION CUSTOMERS

- Within just one year of starting operations, we achieved 1 million de Customers transported: The fastest airline to achieve this feat in the world.
- We established business units, launched our logistics division (Azul Cargo), and introduced our loyalty program TudoAzul.



### OUR PINK AND AZUL FLEET

Azul's Pink October is born - our main social cause focusing on breast cancer awareness and prevention.



2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023



# Our value generation

**Our value generation** We create value by connecting communities across all the regions we serve. Whether it is from Campinas, home to Latin America's largest hangar, to remote towns exclusively linked by Azul to major urban centers. Our engaged and committed Crewmembers put into practice our values and mission of delivering the best flight experience to our Customers, thus generating a cycle of efficiency that positions us as the largest Brazilian airline in terms of destinations served and boasting the highest level of punctuality.

# Macroeconomic outlook in the aviation market

With a backdrop of economic growth, the country's economy closed the period with a dollar exchange rate below five reais and a 2.9% increase in Gross Domestic Product (GDP).

Over recent years, the aviation sector navigated through turbulent due to the global health crisis, with the remnants of the worldwide shutdown still lingering as challenges for companies today.

However, boosted by a surge in passenger traffic and a gradual economic recovery, the outlook is increasingly favorable for businesses.

Despite the economy picking up in 2022, we face challenges like operational costs, many of which were impacted by the fluctuating dollar value, including aviation fuel prices.

December 2023 data released by the National Civil Aviation Agency (ANAC), the regulatory authority for Brazilian civil aviation, illustrated the sector's rebound: 112.6 million individuals were transported during the year, marking a



15.3% increase compared to 2022.

In 2023, our operational net revenue amounted to R\$ 18.7 billion. Our Revenue per Available Seat Kilometers (RASK) reached 42.48 cents, reflecting a 11.2% growth in capacity and 12.2% in Revenue Passenger Kilometers (RPK), resulting in a load factor of 80.4%.

The year 2023 witnessed notable growth in business travel alongside sustained high levels of leisure travel, with a 12.2% demand recovery observed during this period, compared to 2022.

## Fuel prices in Brasil

The price of aviation jet fuel in Brazil doesn't align well with the country's status as a major oil producer. According to the International Air Transport Association (IATA), aviation fuel makes up about 40% of total costs for airlines in Brazil, compared to a global average of 30%. Currently, the average price of one cubic meter (equivalent to 1,000 liters) of Jet A1 fuel in Brazil is around US\$ 600. This is about 25% higher than prices in the United States, for instance. In simple terms, buying one cubic meter of Jet A1 fuel in Brazil costs on average US\$ 150 more than in the United States, without factoring in transportation costs and taxes.



# Financial restructuring

During the years of the pandemic, the airline industry saw a drastic decrease in flights, leading to a sharp drop in revenue. As global inflation rose, operating costs, particularly fuel prices, increased significantly. This resulted in a near halt in airline operations for an extended period, with airlines accruing new debt to maintain minimal operations, despite minimal revenue. Such circumstances severely impact a company's financial health, hindering investments, depleting reserves, and impairing its ability to meet commitments.

Our values were the guiding light that navigated us through these challenging times. Integrity, ethics,

and transparency are our daily ways of working, and these three pillars guided the development and execution of our plan. We sought to realize the fundamental principle of sustainability: enduring existence, which in this case requires a financially solid company prepared to face long-term challenges. In this scenario, different sectors of Azul were mobilized to analyze our main challenges and develop solutions, many of which were implemented through negotiations and collaboration with our partners. Through these agreements, we significantly improved our capital structure, reducing our liabilities and lease payments, while also honoring our commitment to fully compensate our partners. Much of these negotiations focused on debt with lessors (banks owning aircraft leased to Azul), which account for

approximately 80% of our gross debt. In March 2023, discussions began, focusing on four aspects:

- The renegotiation of lease payment obligations that had previously been deferred during the global pandemic;
- Permanent reduction in contractual lease payments to new agreed market rates;
- Deferral of certain payments to lessors and manufacturers, as well as contractual obligations with suppliers;
- Other concessions include reductions in end-of-lease obligations and aircraft return conditions, elimination of future maintenance reserve payments, and early termination of certain aircraft leases.



Our values were the guiding light that navigated us through these challenging times. Integrity, ethics, and transparency are our daily ways of working

## The path to restructuring

In addition to ensuring creditors were fully paid, Azul Investments LLP, a subsidiary of Azul, issued \$370 million in unsecured debt securities maturing in 2030, with a coupon rate of 7.5%. This issuance formed part of a restructuring strategy that involved a blend of long-term debt and valued shares on a fresh balance sheet. These securities were exchanged for payments and obligations owed to lessors and manufacturers.

As part of these arrangements, lessors and manufacturers also accepted up to \$570 million in Azul preferred shares, priced at R\$36.00 per share. The issuance of all preferred shares outlined in these agreements will be staggered in quarterly installments, commencing in the third quarter of 2024 and anticipated to conclude by the fourth quarter of 2027.

Throughout this period, if Azul's preferred shares are valued below R\$36.00 at the time of assessment, Azul will have the flexibility to offset the disparity through the issuance of additional preferred shares, cash settlements, or the issuance of new debt instruments. Conversely, if the market price of Azul's preferred shares surpasses certain thresholds, the number of shares issued will be capped, thus mitigating dilution. Azul remains committed to providing investors and the market with updates on the progress of preferred share issuance.



## The final celebration of this historic moment for Azul came through market recognition

In parallel, Azul successfully issued bonds for its debt (see more below), enabling the raising of new funds to support debt renegotiation. Completed six months after its inception, the plan resulted in an improvement in its capital structure and cash flows, making it a more attractive company for investors worldwide. The increase in liquidity and reduction of liabilities ensured Azul's financial sustainability for the years to come, with impacts across all areas of the company.

The final celebration of this historic moment for Azul came through market recognition, which awarded us with two of the most important awards in the financial-business sector: "Restructuring of the Year" for the Liability Management Deal of The Year, and "CFO of the Year" for the IBEF-SP.



# Restructuring: new perspectives

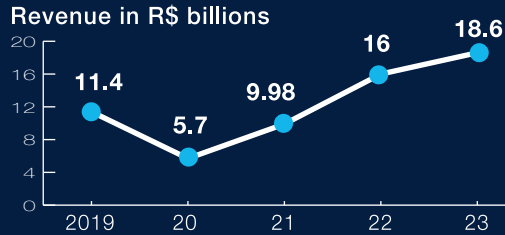
## THE SCENARIO

The global pandemic caused significant global impacts. For Brazilian airlines, losses were estimated to have exceeded R\$ 21 billion due to domestic flight cancellations and a drastic reduction in the number of passengers.

## THE OPERATION

Azul faced a reduced operation and several additional challenges, including increased fuel prices, the devaluation of the Brazilian Real against the Dollar, and high operational costs on the ground and in the air. As a result, the company's net revenue dropped to approximately half of the previous year's value.

The financial indicators of Azul for 2019, 2020 and 2021 show the impact of the pandemic on the performance of the company.



## THE FIRST STEPS OF RESTRUCTURING

Azul publicly announced its financial restructuring in March 2023. With a liability of R\$ 22 billion, the company paid off R\$ 3.8 billion in aircraft leases and advanced to lessors R\$ 700 million in bank loans in 2023. At this point, Azul seeks its Partners, lessors, and banks to negotiate values and deadlines.

## THE NEGOTIATION

The company negotiated transparently and equitably with all its stakeholders, aiming to strengthen its capital structure. The plan included the full reimbursement of aircraft lease payments, which accounted for 80% of the gross debt. Additionally, debt securities due in 2024 and 2026 were deferred to 2029 and 2030, along with the issuance of new bonds worth U\$ 800 million maturing in 2028.

## COMPLETION

In September 2023, Azul celebrated the completion of its restructuring initiated earlier in the year, marking a significant moment for the company. The main focus of the plan was to ensure the company's future sustainability. Designed as a friendly exchange of value, the plan aimed to protect equity and debt holders, minimize restructuring costs, and accelerate its execution.

## RESTRUCTURING STAGES

### Lessors

- Exchange of Covid deferrals and above-market rates for shares and debt
- Debt to be issued as unsecured notes due in 2030 with a coupon of 7.5%

### Manufacturers

- Exchange of Covid deferrals and commercial terms for shares and debt
- Same equity and debt instruments as lessors

### Bondholders

- Friendly exchange at 100% of face value
- Over R\$ 4 billion in notes due in 2024 and 2026 exchanged for notes due in 2029 and 2030 with secondary guarantee
- Convertible debentures extended until 2028

### New Capital

- Over R\$ 3.8 billion raised in notes due in 2028 with primary guarantee
- Demand 3x the offered value



# Our performance

GRI 201-1

We can say that the year 2023 represented a return to business as usual. The major references to the pandemic are finally starting to fade from our routine, bringing us more predictability in both national and international scenarios. However, other challenges remain, such as conflicts in Ukraine and Israel, along with the constant high prices of aviation fuel and exchange rates.

The company demonstrated strong resilience and the ability to operate in this scenario, sustaining investments across all sectors. A well-received restructuring agreement, coupled with the confidence and transparency exhibited by our partners, enabled a comprehensive financial overhaul. Despite the challenging years due to the pandemic, robust demand led to promising results. In 2023, we attained pre-pandemic passenger levels, marking a significant milestone.

We ended the year with R\$ 18.7 billion in net revenue, a 1.7% increase from 2022 and a 87.4% increase from 2021. EBITDA was R\$5.2 billion, a R\$ 2 billion increase from 2022. The operating profit was R\$ 2.9 billion.

We also recorded an increase in RASK<sup>1</sup> and CASK<sup>2</sup>, respectively, of 33.4% and 13.5%, representing a growth of 40.2% compared to 2021.

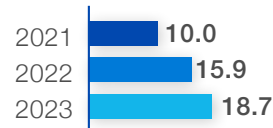
The growth of Azul Cargo led to R\$ 1.14 billion in net revenue in 2023. Its market share in the cargo transportation industry in Brazil was 37%.

For all information on Azul's financial performance, visit our Investor Relations [website](#).

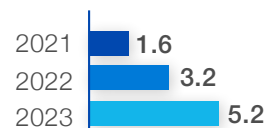
## Financial performance

- 17.2% increase of revenue compared to 2022 and 87.4% increase compared to 2021.
- In 2023, cargo revenue and other revenues reached R\$ 1.3 billion.
- 11.2% increase in capacity compared to 2022.
- R\$ 3 billion in immediate liquidity, including cash and cash equivalents, accounts receivable, and financial investments.

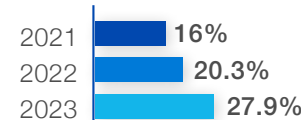
Net revenue (R\$ billion)



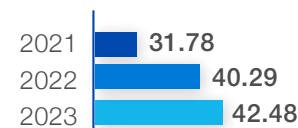
Adjusted EBITDA (R\$ billion)



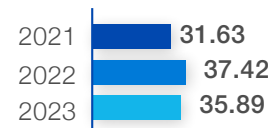
Adjusted EBITDA margin



RASK (R\$ cents)



CASK (R\$ cents)



<sup>1</sup> Revenue per Available Seat Kilometers (RASK): operating revenue over total seat kilometers offered.

<sup>2</sup> Cost per Available Seat Kilometers (CASK): operating cost divided by total seat kilometers offered.

### 201-1 Direct economic value generated and distributed

2023	
Direct economic value generated per year	Value (Million Reais)
Revenue	18,694,600
<b>Distributed economic value</b>	
Operating costs	15,794,700
Crewmembers salaries and benefits	2,397,300
Payments to capital providers	893,080
Payments to government	254,455
Community investments	965
<b>Total</b>	<b>3,811,319</b>
<b>Retained economic value</b>	
Retained economic value	-645,900

### Sector indicators SASB TR-AL-000.A, B, C, D

2023	
ASK	44,006,000
ATK	5,051,110
RPK	35,399,000
RTK	3,166,164
PKT	36,399,000
TKT	436,000,000
Passenger load factor	83%

Note: Passenger Load Factor - The load factor is a measure of capacity utilization and is calculated as revenue passenger kilometers divided by available seat kilometers. Total passengers x kilometers flown (36,399,009,007).

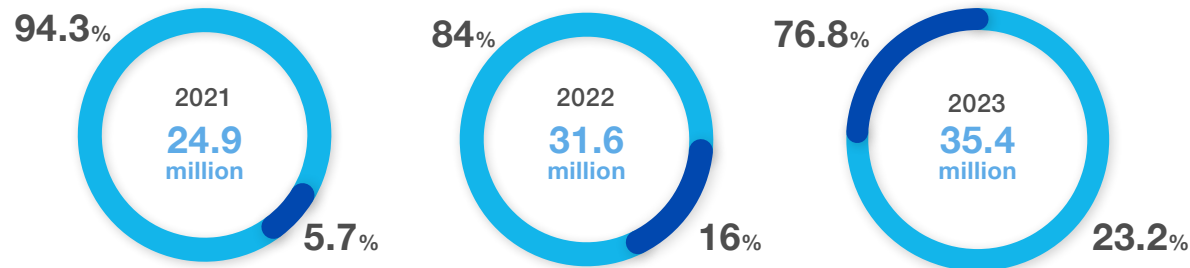
(TR-AL-110a.2) In 2023, Azul developed its Strategic Decarbonization Plan with projections until 2045 and is engaged in national discussions and initiatives regarding the future with SAF (Sustainable Aviation Fuels). It also became the first airline in Latin America to establish a target for it.

Note 2: Adjusted for non-recurring items.

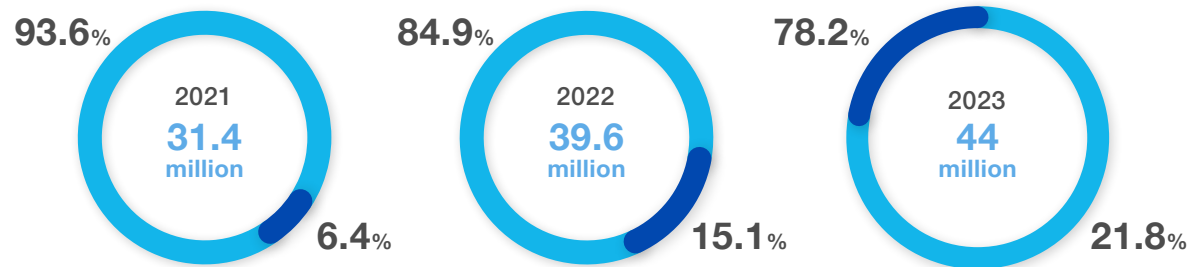


## Operational performance

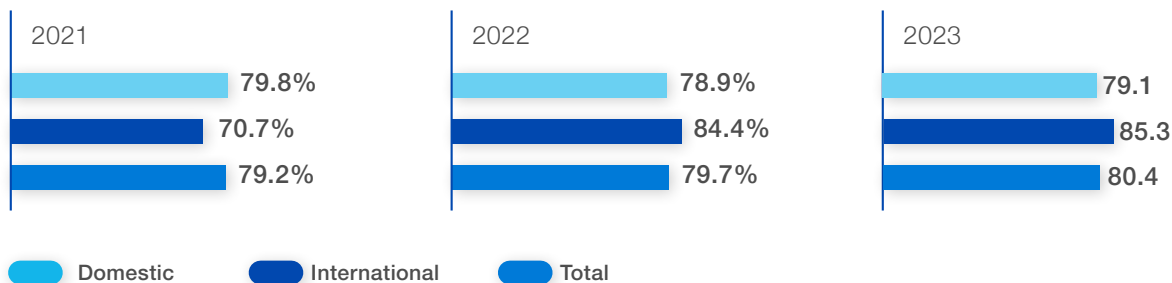
### RPK<sup>1</sup>



### ASK<sup>2</sup>



### Load Factor (%)



# Awards and recognitions

- Most On-time Airline in the World by Cirium in 2022, the main data reference in the global airline industry
- First Passenger Award 2023, in the category of Best Airline in Brazil, among some other awards in other categories
- Executive of Value for John Rodgerson, in the Valor Econômico Newspaper awards, in the Logistics and Transportation category
- CFO of the Year for Alexandre Malfitani, by the Brazilian Institute of Finance Executives of São Paulo
- 100+ Powerful Figures in Tourism by the Panrotas website
- John Rodgerson is among the 500 most influential people in Latin America, according to the Bloomberg Línea website
- The Customer Summit Awards, an international award recognizing the quality of the customer experience at Azul
- Aviation + Brazil 2023 Award, from the National Civil Aviation Secretariat (SAC), as the Most On-time Company and company most Brasil
- Best National Airline in the Travel and Tourism website awards
- Passenger Choice Awards, from the Airline Passenger Experience Association (Apex), for Best Wi-Fi and Best Entertainment
- Skytrax World Airline Awards, among the 50 best airlines in the world
- Kayak Travel Awards, for Best Airline in Latin America
- Best Destinations Award, for Best National Airline
- Consumidor Moderno Award, for Excellence in Customer Service, in the Airlines category
- Most Admired CEOs and HRs Award, recognition to John Rodgerson by the RH Management Group
- Women-Friendly Company Seal, recognition from the government to companies with gender equality promotion policies in the professional environment
- Uber For Business Awards, in the category of Best Travel Experience for the End Consumer



# Sustainable growth

At Azul, we perceive our growth as sustainable across all areas of the company, fostering a continuous cycle of strengthening. This encompasses initiatives targeting carbon emission reduction, our financial expansion, the development of our Crewmembers, enhancement of our connectivity, and exploration of new business opportunities. Our journey is consistently guided by our values and mission, driving progress to every destination we reach.

# Our goals and commitments

GRI 2-13, 2-17, 2-24

Azul connects Brazil, the world, and people. Our culture prioritizes sustainable growth, while focusing on key pillars: the company's economic stability, social progress, environmental responsibility, strong corporate governance, and care for our Crewmembers, Partners, Customers, and the communities we serve.

Guided by these principles, we set specific commitments and objectives aligned with our vision, values, and goals. We closely monitor our progress and encourage all our Crewmembers to engage and be proactively involved in our achievements.

The corporate objectives below affect executives' variable compensation including all financial, operational efficiency, crew, customer and ESG goals.

**CORPORATE OBJECTIVES**  
**40% FINANCIAL**

**2023 RESULTS**  
**15.5%** Operating margin

**CORPORATE OBJECTIVES**  
**15% ESG**

**2023 RESULTS**  
**78.12** ESG - Corporate Sustainability ISE  
**54** ESG - Corporate Sustainability DJSI



**CORPORATE OBJECTIVES**  
**15% OPERATIONAL EFFICIENCY**

**2023 RESULTS**  
**86.3%** On-Time performance  
**98.6%** Completion factor

**CORPORATE OBJECTIVES**  
**15% CUSTOMERS**

**2023 RESULTS**  
**54.9 points** NPS

**CORPORATE OBJECTIVES**  
**15% CREWMEMBERS**

**2023 RESULTS**  
**87%** Satisfaction and Engagement



**Azul connects Brazil, the world, and people. Our culture is based on sustainable growth with solid pillars**

To achieve our corporate goals, we seek to integrate important external initiatives, such as:

**UN Women and Elas Lideram (She Leads) movement:**

In the pursuit of more gender equality, we have committed to the United Nations program that promotes women's empowerment and gender equality, aiming to have half of leadership positions held by women by the year 2030.

**Global Compact:** We are part of the Global Compact, a UN initiative that engages companies and institutions in committing to ten principles related to human rights, labor, the environment, and anti-corruption efforts.

**25by2025:** Promoting gender diversity and boosting the presence of women in the airline sector, we endorse the International Air Transport Association's (IATA) 25by2025 initiative. By 2025, we strive to have 25% of leadership roles occupied by women and ensure that women make up 25% in top leadership considering maintenance teams, pilots, and engineering positions.

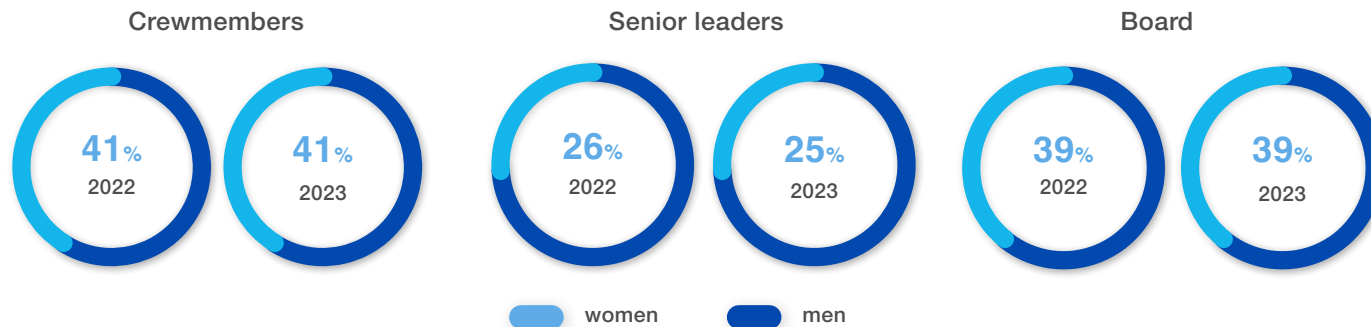
**Movimento Ambição 2030 (2030 Ambition Movement):**

to ensure private sector engagement in Sustainable Development Goals (SDGs), we joined the UN Global Compact's Brazil Network program. We committed to disclosing information on the GHG Protocol website and monitoring our greenhouse gas emissions. Additionally, we established targets confirmed by the Science Based Targets Initiative (SBTi).

**NetZero:** with the aim of achieving complete carbon neutrality, Azul has committed to becoming NetZero by the year 2045. In practice, this means that we are investing in environmental measures and greenhouse gas (GHG) emission offset initiatives in our operational routine to meet the goal by the specified date.



**PARTICIPATION OF WOMEN**



# Connection that transforms

GRI 3-3 Development through Connectivity

We continued to generate jobs bringing both socio-economic and environmental development to our destinations through connectivity across Brazil. Part of our Sustainability Strategy is supported by a specific policy and reaffirms our commitment to developing businesses in a socially and environmentally responsible manner, engaging and including all groups connected with us. Defined as the Transformative Connection, it is based on three pillars:

- Efficient and responsible operation: high operational efficiency with modern and safe aircraft results in lower CO<sub>2</sub> emissions per passenger transported. Related SDGs: 3, 9, 13, and 17.
- Focus on people: engaged Crewmembers, loyal Customers, and Partner suppliers, focusing on integrity, ethics, and mutually beneficial relationships. Related SDGs: 3, 5, 8, and 17.
- Going above and beyond: increasingly connecting Brazil, providing the best experience with innovation in our DNA. Related SDGs: 3, 8, 9, 11, 13, and 17.

Based on this commitment, our efforts to diminish environmental impact, ensure efficient and responsible operations, and foster innovation include specific focus areas (outlined in the chart) along with various initiatives and projects, all of which are elaborated throughout the report.



**We continue to generate jobs bringing both socio-economic and environmental development to our destinations**

## Our journey to reduce environmental impact throughout our operation

GRI 3-3 Ecoefficiency and climate change management

### FLEET

R&D and fleet renewal intensify the results of improving fuel consumption and reducing carbon emissions.

### FLIGHT OPERATION

Efforts to plan more efficient routes and to reduce environmental impacts during ground time.

### MAINTENANCE

Internalization of aircraft maintenance processes has ensured cost reduction, increased production, efficiency, and consequent reduction of environmental impacts.

### FLIGHT PLANNING

Use of technology to prioritize and design the routes in which we operate.

### FUEL EFFICIENCY PROGRAM (PEC)

Technological intelligence through continuous improvement of aircraft fuel consumption reduction projects to decrease costs and environmental impacts.

More details in the Environment chapter, page 52.

## Our numbers per stakeholder in 2023



### CREWMEMBERS

Compensation distributed in 2023: **R\$ 2.39 billion**

More than **1,425 million** hours of training

**82%** Crewmembers participated in the employee Satisfaction and Engagement survey

**3,280** Crewmembers hired

**2,298** internal promotions



### PARTNERS

**272 new Partners** registered in 2023

**1,168 due diligence** carried out on national suppliers with active contracts



### SOCIETY

**1696 organs** transported

**24 tons** of food and water sent to communities in need

**830 million Customers** impacted by the Pink October campaign via social media

**125 scholarships**

**5.7 million people** impacted by the actions of our Volunteers



### CUSTOMERS

**86.3% on-time performance** in 2023

**54.9 NPS**

**More than 300** routes

**30 million** Customers transported



### INVESTORS

Liquidity of **R\$ 6.1 billion**



Part of our Sustainability Strategy is supported by a specific policy that reaffirms our commitment to developing businesses in a socially and environmentally responsible manner, engaging and including all groups connected with us.



# Corporate governance



Our pillars make us fly higher. With ethics, transparency, efficiency, and safety, our Corporate Governance guides our operations always aiming at our principles to strengthen the trust of our Investors, Crewmembers, Partners, and Customers.

# Governance structure

GRI 2-9, 2-12, 405-1

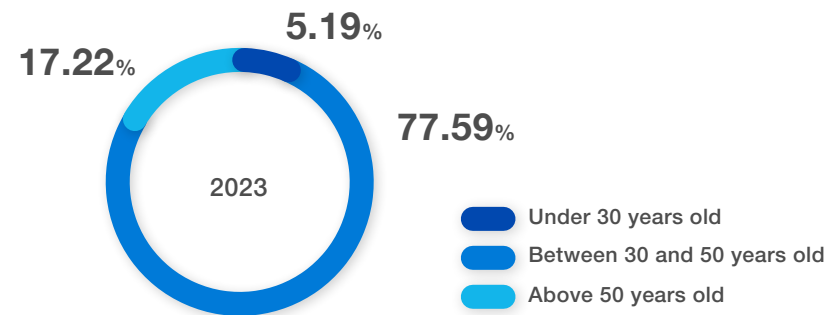
Guided by integrity, corporate governance at Azul is carried out by interrelated bodies, ensuring the convergence of interests and alignment of actions with the company's values. The responsibilities of each body are executed in accordance with the best practices of corporate governance, ensuring that the organization's purposes and values guide the achievement of its strategic objectives.

The highest decision-making body is the Board of Directors (BD), responsible for establishing guidelines and supervising Azul's performance towards the achievement of strategic goals. Also comprising Azul's governance structure are the Shareholders, the Fiscal Council, and committees advising the BD on compensation, sustainability and corporate social responsibility, and audit matters, in addition to internal and independent audits themselves. The company's President and Executive Officers also operate within this structure.

Percentage of individuals who are part of the organization's governance bodies, by gender

	2021		2022		2023	
	Men	Women	Men	Women	Men	Women
<b>Leadership</b>						
Vice president	100.00	0	100.00	0	100.00	0
Director	70.59	29.41	61.11	38.89	66.67	33.33
General/senior manager	72.92	27.80	76.09	23.91	75.51	24.49
Manager	70.41	29.59	67.83	32.17	68.09	31.91
Airport manager	69.35	30.65	62.32	37.68	58.21	41.79
Supervisor/coordinator	64.15	35.82	63.46	36.54	61.17	38.83
Pilot	98.04	1.96	97.71	2.29	96.76	3.24
Lead flight attendant	20.58	79.42	16.93	83.07	18.68	81.32
<b>Percentage of leadership members by gender</b>	<b>54.67</b>	<b>45.33</b>	<b>59.55</b>	<b>40.45</b>	<b>60.78</b>	<b>39.22</b>

Percentage of individuals in the organization's governance bodies by age group



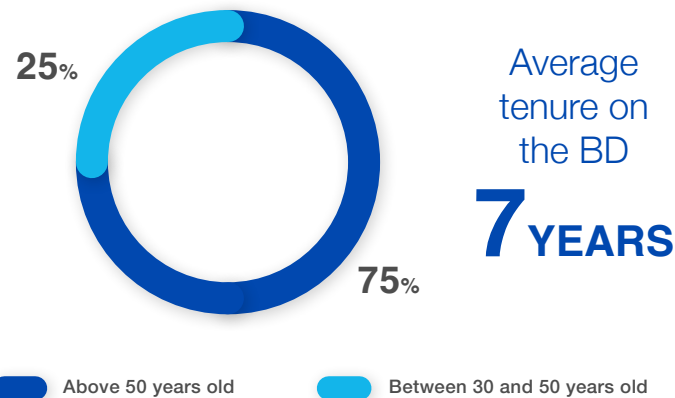
**Guided by integrity, corporate governance at Azul is carried out by interrelated bodies, ensuring the convergence of interests and alignment of actions with the company's values.**



## Board of Directors GRI 2-10

Azul's Board of Directors (BD) comprises 12 members, including 11 independent directors, alongside the founding president. BD members serve a unified two-year term, elected by the General Shareholders' Meeting, which also designates the vice president. At the Extraordinary General Meeting on October 4, 2023, Shareholders elected Daniella Marques Consentino as a new female BD member, aligning with the commitment to advance gender equality, specially in leadership and senior roles. The current members of the Board of Directors will remain in office until the Ordinary General Meeting, which will deliberate on the fiscal year ended on December 31, 2024.

Age range of the BD in 2023:



### MEMBERS OF THE BOARD OF DIRECTORS

Member	Independent (does not have any family, business, or other type of relationship with the organization)	Term of office	Roles	Gender	Belongs to an underrepresented social group
Carolyn Luther Trabuco	Yes	13	Independent member	Female	Yes, gender
Daniella Marques Consentino	Yes	1	Independent member	Female	Yes, gender
David Gary Neeleman	No	13	BD president	Male	No
Décio Luiz Chieppe	Yes	11	Independent member	Male	No
Gilberto de Almeida Peralta	Yes	5	Independent member	Male	No
José Mario Caprioli dos Santos	Yes	11	Independent member	Male	No
Michael Paul Lazarus	Yes	13	Independent member	Male	No
Patrick Wayne Quayle	Yes	2	Independent member	Male	No
Peter Allan Otto Seligmann	Yes	2	Independent member	Male	No
Renan Chieppe	Yes	11	Independent member	Male	No
Renata Faber Rocha Ribeiro	Yes	1	Independent member	Female	Yes, gender
Sergio Eraldo de Salles Pinto	Yes	3	BD Vice-President	Male	No



**John Peter  
Rodgerson**



**Abhi Manoj  
Shah**



## Board of Executive Officers

The Board of Executive Officers is composed of four members, responsible for the daily administration and supervision of Azul's business, as well as its legal representation.

On January 12, 2023, the current members were selected for a two-year term, with the possibility of reelection.



**Alexandre  
Wagner  
Malfitani**



**Antônio Flávio  
Torres Martins  
Costa**

### Members of the Executive Office

- **John Peter Rodgerson** is currently the CEO of the company.
- **Abhi Manoj Shah** serves as the Presidente of Azul Linhas Aéreas
- **Alexandre Wagner Malfitani** holds the position of Vice President of Finance and Investor Relations
- **Antônio Flávio Torres Martins Costa** is the Vice President of Technical Affairs



## Statutory committees

### Audit Committee

Linked to the Board of Directors, it has the function of supervising the internal control and audit sectors, verifying the accuracy of both financial reports and control systems, further analyzing the possible risks to which Azul may be subjected. The Audit Committee is composed of:

- Gilberto Peralta
- Renata Faber
- Sergio Eraldo

### Compensation Committee **GRI 2-20**

Its objective is to align executive compensation with corporate strategy, as well as to assess achievements and implement incentives for leaders. The committee also defines - and periodically reviews - Crewmembers compensation, based on market analysis and performance evaluations. At least two members of the Compensation Committee must be impartial and belong to the Board of Directors, as defined by Level 2 Regulation, with one of them being appointed as coordinator. The members of the Committee are:

- Carolyn Trabuco
- David Neeleman
- Sergio de Salles Pinto

### ESG Committee **GRI 2-12**

One of its main responsibilities is to continuously assess Azul's ESG plans and strategies. Moreover, it analyzes and monitors climate targets and tracks sustainability trends. It then presents proposals to the Board of Directors regarding the company's compliance with national and international policies and protocols related to the three pillars of ESG. Additionally, the committee evaluates updates to the Code of Ethics and Conduct. For further information, visit the ESG Governance section. The ESG Committee is comprised of:

- Michael Lazarus
- Carolyn Trabuco
- Peter Seligmann
- Renan Chieppe

**The responsibilities of each committee are carried out in accordance with the best practices of corporate governance, ensuring that the organization's purposes and values guide the achievement of its strategic objectives.**



## Non-statutory committees

### Culture and Social Responsibility Committee

Its responsibility is to disseminate Azul's primary initiatives in Culture, Social Responsibility, Diversity, Equity, and Inclusion, ensuring that everyone is informed, able to discuss and approve them.

### Azul's Safety Committee (CSA)

**GRI 3-3 – Operational safety**

**DJSI – Occupational health and safety 2018**

Its function is to analyze and certify the effectiveness of the company's Security Policy, along with monitoring indicators and objectives to ensure that high standards of operational safety are maintained.

### Ethics and Conduct Committee

This committee is tasked with several key responsibilities: recommending and ensuring the widespread understanding of the Code of Ethics and Conduct among Team Members and Collaborators, evaluating sensitive behavioral issues, and managing instances of misconduct. It operates under the direct authority of the ESG Committee. The Ethics and Conduct Committee is composed of:

- Alana Sachi
- Alexandre Malfitani
- Jason Ward
- Raphael Linares
- Antonio Dibai
- Alessandra Leonardi

Learn more about Azul's committees [here](#).

# ESG governance

The projects and actions set in place to strengthen Azul's ESG pillars consider the expectations of the various Stakeholders involved and are shared through Investor Relations communication channels.

The ESG Committee, consisting of four members, operates as a vital component alongside the Board of Directors in Azul's governance structure. These members, elected by the Board for a two-year term with the option for reelection, include at least two independent members as required by the Level 2 Corporate Governance Regulation of B3, one of whom serves as the Committee coordinator.

The current members of the ESG Committee have a broad professional background, including knowledge

and proven experience in executing tasks and initiatives related to the ESG areas. They were chosen and elected during the Azul Board of Directors Meeting that took place on August 9, 2021.

Each member's characteristic plays an important role in consolidating a diverse and pluralistic body, in which members are invited and encouraged to act independently, utilizing their technical knowledge and expertise to promote Azul's continuous progress towards its ESG goals, resulting in positive effects across all its operations.

**Comprised of four members, the Governance Committee, also referred to as the ESG Committee, operates as a statutory body alongside the Board of Directors.**



## Competencies and evaluation

The primary function of the ESG Committee is to oversee the processes for identifying and managing the impacts of Azul's activities on the economy, environment, and society.

Its objective is to monitor the company's socio-environmental and economic commitments, tracking the actions of the sustainability groups responsible. Additionally, the Committee proposes to the Board of Directors the approval of guidelines and internal procedures related to sustainability, as well as the adoption of measures for disclosure and compliance monitoring. Thus, ways to eliminate, repair, or reduce impacts are constantly evaluated, resulting in the implementation of an improvement schedule and advances in sustainability areas.

One of the key competencies outlined in the ESG Committee's Internal Regulations is the capability to track trends in sustainability-related matters and recommend Azul's involvement in global, national, or regional policies associated with corporate sustainability. This includes aligning with measures aimed at attaining the Sustainable Development Goals (SDGs), with a particular focus on topics pertinent to Azul's operations.

In order to achieve the purposes outlined by the ESG Committee, an analysis of the most relevant aspects of the company was conducted to identify the risks associated with these topics, explicitly establishing areas of interest and importance for both Azul and Stakeholders.

# Ethics and integrity

GRI 3-3 – Ethics and integrity

Azul is guided by strong ethical values such as transparency and honesty, leading us to take a proactive approach to corporate integrity and ethics. As part of our dedication to good governance, we are part of B3's Level 2, which sets stringent standards for transparency, accountability, and shareholder involvement in strategic decisions.

Integrity lies at the heart of our DNA and is one of our core values, which we strive to embody through our Integrity Program. We understand that these principles should not just be words on paper; they need to be incorporated into our company culture. That is why spreading awareness of this policy is a top priority for us. This effort is not limited to our Crewmembers but it also involves our Partners. To do business with Azul, Partners must adhere to our Code of Ethics and Conduct as well as our Human Rights Policy. Beyond meeting legal obligations, we embed these principles directly into our business strategy, recognizing their crucial role in ensuring the company's long-term success.



As part of our dedication to good governance, we are part of B3's Level 2, which sets stringent standards for transparency, accountability, and shareholder involvement in strategic decisions



## The Azul Integrity Program

### PRINCIPLES

Prevent, detect and remediate

### PILLARS

1. Senior management commitment
2. Risk management
3. Code of conduct, policies and procedures
4. Internal controls
5. Training and education
6. Whistleblowing channel
7. Internal investigations
8. Due diligence for third parties and for mergers and acquisitions (M&A)
9. Monitoring and remediation

## Our business operates based on a defined set of principles and guidelines outlined in our Code of Ethics and Conduct.



### Anti-corruption GRI 205-1

Our business operates based on a defined set of principles and guidelines outlined in our Code of Ethics and Conduct. We consistently work to integrate these principles into our daily operations and interactions with all Stakeholders involved in our business. Our operations are assessed for the risk of occurrences of corruption practices, including instances like suspicious political contributions or conflicts of interest.

We adhere to all national and international laws for preventing and combating corruption, and money laundering, particularly Brazil's current Anti-corruption Law. Any unethical conduct involving corruption cases is not tolerated within Azul.

We also have an Anti-corruption Policy, a document that mandates compliance with Azul's Code of Ethics and Conduct, as well as Brazilian and international laws and regulations against bribery and corruption.

To ensure our Crewmembers are well-informed about these initiatives, we have offered online anti-corruption training for all Crewmembers.



### Confidential channel GRI 2-25

With total dedication, available at any time of the day, our Confidential Channel is open to our Crewmembers, Partners, Investors, or anyone wishing to report situations that violate our code of ethics and conduct.

Every report received is treated with complete confidentiality, and any complaints of fraudulent activities, misappropriation, bribery, or corruption involving public officials are referred to the Ethics Committee for investigation.

An external organization is responsible for receiving the information, and after a preliminary evaluation in which the scope is verified and categorized, the matter is forwarded to Azul's Compliance department, which is responsible for conducting the investigations and collaborates closely with the Legal team. Situations considered critical are referred to the Ethics Committee for analysis and determination of disciplinary actions.

In 2023, the total number of complaints was 1,393. The Confidential Channel is available at [www.canalconfidencial.com.br/azul](http://www.canalconfidencial.com.br/azul) or via phone call 0800 377 8050. The website, app, and email are available 24 hours a day, and the phone operates from Monday to Friday, from 9 am to 5 pm. **GRI 2-23**



**Situations considered critical are referred to the Ethics Committee for analysis and determination of disciplinary actions.**





## Integrity policies

**Human Rights Policy:** defines our guidelines, aligned with international standards, to promote respect for human rights.

**Diversity Policy:** adopts a firm stance on diversity, equality, and inclusion. We value diversity among our internal and external collaborators, as well as among our Partners, regardless of their origin, sexual orientation, ethnicity, color, gender, age, marital status, religious belief, physical ability, or socio-economic status.

**Sustainability Policy:** establishes the integrated management of environmental aspects, aiming for progressive sustainable results, through 11 environmental commitments.

**Antitrust Policy:** aims to ensure compliance with all regulations related to the prevention and punishment of practices that violate the economy and fair competition, including antitrust laws.

**Variable Remuneration Policy:** gets guidelines on the means of payment intended for Azul's managers and board members.

**Extra-Audit Services Policy:** defines minimum criteria and impartiality in the hiring of these services.

**Conflict of Interest Policy:** sets parameters to avoid or mitigate situations of conflict of interest, and implements internal measures to identify and manage such conflicts appropriately.

**Stakeholder Relationship Policy:** establishes fundamental principles for relations with Stakeholders, promoting ethical values, dialogue, and transparency.

**Social Investment Policy:** demonstrates our social commitment and our approach to contributing to society.

The internationally recognized intergovernmental instruments to which these commitments are aligned are:

- UN Guiding Principles on Business and Human Rights
- International Labor Organization (ILO) Labor Standards
- United Nations Global Compact
- United Nations Sustainable Development Goals (SDGs)
- Ethos Institute Business Pact for Integrity and Against Corruption.

🔗 Azul has other policies related to Compliance and Integrity, such as the Supplier Approval Policy, Donations and Sponsorships Policy, Stakeholder Relationship Policy, and Anti-Corruption Policy. The complete list of our policies can be accessed [here](#).

# Relationship with governments and regulatory bodies

GRI 2-28; 2-29

We are dedicated to operating under regulations to ensure the safety and satisfaction of our passengers and the operational efficiency. To accomplish this, we prioritize building ethical and responsible connections with governments, regulatory bodies, and other industry stakeholders. We strictly adhere to the guidelines set forth by the National Civil Aviation Agency (ANAC), the Department of Airspace Control (DECEA), and the National Consumer Secretariat (Senacon).

Seeking to promote advancements and develop solutions for the challenges faced by the industry, Azul actively participates in discussions led by civil aviation organizations. Notably, we engage with key entities such as the International Air Transport Association (IATA), the Brazilian Association of Airlines (ABEAR), and the Center for

Investigation and Prevention of Aeronautical Accidents (CENIPA). Additionally, we are involved in global initiatives like the European Emissions Trading System, which facilitates the international trade of greenhouse gas emissions, and the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA), aimed at offsetting and reducing carbon emissions from international flights under the International Civil Aviation Organization (ICAO).

Furthermore, we are members of the Brazilian Association of Corporate Agencies (ABRACORP), an entity that brings together the main and most reputable corporate agencies in the country. We also adopt the guidelines established by the Brazilian Corporate Governance Code and the Best Practices Code of Corporate Governance of the Brazilian Institute of Corporate Governance (IBGC).



**We are dedicated to operating under regulations to ensure the safety and satisfaction of our passengers and the operational efficiency**



# Relationship with Investors

GRI 2-29

Azul reaffirms its commitment to transparency and open dialogue with investors through various channels. On our website, we provide comprehensive information about governance, actions, statutes, policies and regulations, meeting minutes, quarterly results, financial data, presentations, videos, and event schedules.

To facilitate effective communication, we offer investors the “Fale com RI” (Talk with IR) channel on the website or the option to contact us via email at [invest@voeazul.com.br](mailto:invest@voeazul.com.br). We value feedback and questions, recognizing that ongoing dialogue is essential for building strong relationships with this audience.

Azul’s preferred shares (PN), traded under the code “AZUL4”, are listed on B3 S.A. - Brasil, Bolsa Balcão, in Level 2 of the Corporate Governance segment. Additionally, our American Depositary Receipts (ADRs) are traded on the New York Stock Exchange (NYSE) under the code “AZUL”, expanding our global reach and accessibility to international investors.



On our website, we provide comprehensive information about governance, shares, statutes, policies and regulations, meeting minutes, quarterly results, financial data, presentations, videos, and event schedules.

# Relationship with Partners

GRI 3-3 – Relationship with partners; GRI 2-2

At Azul, we recognize the strategic importance of partners in our journey to success. Guided by ethical values and transparency, we believe that strong and mutually beneficial relationships are the foundation for achieving our objectives.

We work closely with Partners from a wide range of sectors, including lessors, fuel suppliers, communication agencies, aircraft leasing companies, benefits providers, aviation products and services providers, information technology, insurers, catering services, hotels, and transportation.

Committed to ethical, environmental, and social practices, we set high standards for all our partners through our Supplier Code of Conduct. This document, accessible to the public, outlines the ethical guidelines we expect all our business partners to adopt.

During the partner selection process, we implement rigorous clauses to prevent unethical business practices, such as forced labor or conditions analogous to slavery. We implement initiatives to identify and correct any non-compliance, ensuring an integral and ethical supply chain.



**Guided by ethical values and transparency, we believe that strong and mutually beneficial relationships are the foundation for achieving our objectives**





## Procurement management GRI 414-1

We value the growth of our Partners and Suppliers throughout our journey, seeking to prioritize local trades in procurement management. This practice not only strengthens local economies but also contributes to income generation and resources in the various cities we serve.

To ensure Azul's position in a trustworthy and secure partnership environment, we regularly monitor risks across our network of Partners with active contracts. This effort involves establishing a criticality matrix and

deploying an ESG survey. Started in 2022, this initiative enables us to monitor partners' progress in the specific areas covered by the survey over time.

In the approval process for new contracts, we categorize risks by sectors, such as financial, compliance, or environmental. This approach enhances efficiency and transparency in all our business partnerships, ensuring alignment with the same ideals and ethical standards that guide our practices.

Initially conceived for national Partners, this process has been expanded to international Partners, instituting a global approach to transparent relationships. The analysis, now automated, generates due diligence and sustainability forms, providing direct access to our Partner Code of Conduct, Human Rights Policy, among others. The new system also automates the storage of all information, simplifying the flow of all involved processes.

We regularly review supplier purchasing practices to ensure they align with both the Supplier Code of Conduct and Azul's standards. For our national contractual suppliers, we conduct quarterly monitoring of financial and compliance risks, categorizing them into High, Medium, and Low-risk levels. We prioritize suppliers with stronger ESG performance for long-term partnerships, especially those categorized outside of the High-risk level. As part of our evaluation process for new contracts, we assess the last three competitors' suppliers, and those deemed high risk require approval from the director of the area. Otherwise, we prefer to engage with suppliers classified as low or medium risk.



To ensure Azul's position in a trustworthy and secure partnership environment, we regularly monitor risks across our network of Partners with active contracts. This effort involves establishing a criticality matrix and deploying an ESG survey.

**Purchases with local suppliers GRI 204-1**

In 2023, the percentage of purchases made with local suppliers at operational units was 65.37%. During the same period, the company conducted transactions with 5,481 suppliers, of which 84.53% (4,633) were located within national territory, while the remaining 15.47% (848) were located abroad. The investment in national Partners reached R\$ 10.1 billion and with international partners R\$ 5.3 billion, totaling R\$ 15.4 billion.



**In 2023, the percentage of purchases made with local suppliers at operational units was 65.37%. During the same period, the company conducted transactions with 5,481 suppliers, of which 84.53% (4,633) were located within national territory, while the remaining 15.47% (848) were located abroad**

**Socio-environmental criteria GRI 308-1, 408-1 and 409-1**

Azul uses environmental criteria when selecting new suppliers. This involves analyzing data compiled from companies on the G-Certifica Platform, including factors like having environmental licenses for operation, issues related to the supply of forest-derived products, and maintaining green areas, among others. Following this analysis, Azul contracted 272 new suppliers, of which 47 (17.3%) were identified as environmentally critical. If a supplier's responses indicate non-compliance with environmental standards, further information is requested from the platform to facilitate possible adjustments.

We also do not have operations that pose risks of child labor or young people exposed to hazardous work, as well as forced labor or similar to slavery. With the aim of reducing this risk throughout the supply chain, we require that 100% of suppliers approved by Azul must accept our Code of Ethics and our policy of zero tolerance for the mentioned practices. Additionally, for suppliers with a recurrence of service/product provision, we sign a contract with specific clauses for this issue.

**PARTNERS BY RISK CATEGORY**



**Low risk:** tax standing classified as "green" and not meeting up to two requirements.  
**Medium risk:** tax standing classified as "yellow" and/or not meeting three to four requirements.  
**High risk:** tax standing classified as "red" and/or not meeting more than four requirements and/or high criticality: MTE - negative certificate, CNPJ unfit or suspended, Partners listed in Interpol and/or with a warrant for arrest or who are involved in some criminal proceeding (fraud or embezzlement, money laundering, homicide or exploitation and formation of a gang or exploitation), CEIS, CNIA. We regularly monitor our suppliers to mitigate risks.  
**Blocked:** linked to slave labor (company or Partners) and/or dropped from the Brazilian Federal Revenue.

**Relationship with franchisees**

In 2023, we sought greater proximity with Azul Cargo representatives in the cities. Through offered training, regular visits, and follow-up, we engaged more broadly with their needs and the particularities of each region where we operate. This



year, we provided a monthly class online for the national sales team in collaboration with UniAzul. Additionally, we are committed to building a support infrastructure, which includes the implementation of new systems and even customer service for franchisees.

# Risk management

At Azul, our goal is to proactively identify and anticipate potential risks and exposures to the company. In collaboration with the Board of Directors, the ESG Committee has carefully reviewed our Corporate Risk Management Policy. This policy enables us to identify both internal and external events that could potentially conflict with our established guidelines, strategic objectives, financial stability, or Azul's overall image.

Azul's analysis focuses primarily on three essential points for our operational dynamics and long-term financial health: currency exchange rates, interest rates, and fuel prices, being closely monitored and thoroughly discussed by the company's committees.

To prevent or minimize any disruptions to our operations, we analyze data and proactively prepare for fluctuations in interest rates. We achieve this by utilizing hedging instruments and establishing contracts with banks to mitigate foreign exchange risks associated with financial investments. Additionally, we collaborate with our fuel supply partners to address any potential challenges in this area.

In the scope of our Risk Management Process, we report a series of crucial information, including the risks that have been identified, a detailed description of each risk, its probability, and the magnitude of the potential impact they may have. Additionally, we detail the risk appetite or tolerance levels established for at least two categories or

types of risk. We also prioritize identified risks and describe the mitigating actions implemented for at least two of these risks. Azul's Risk and Compliance area compiled these potential corporate risks into the Risk Dictionary, an internal document that classifies and categorizes risks according to the specifics of our business. This dictionary divides Azul's risks into eight distinct categories:

<p><b>1. Strategic Risk</b></p> <p>Associated with management strategic decisions that may impact its ability or capacity to protect or adapt to changes in the environment in which it operates.</p>	<p><b>2. Socio-Environmental Risk</b></p> <p>Related to potential damage to the environment and society caused by Azul's activities, generating an impact on the protection of human, cultural, or environmental health.</p>	<p><b>3. Credit Risk</b></p> <p>Consists of the risk of recurrent losses due to default by Customers and Partners such as travel agencies and representatives.</p>	<p><b>4. Liquidity Risk</b></p> <p>Generated by the lack of cash resources to pay loans, financing, salaries, social charges, bills, and other expenses.</p>	<p><b>5. Market Risk</b></p> <p>Connected to the possibility of losses generated by changes in interest rates, exchange rates, stock, and commodities such as fuel.</p>	<p><b>6. Operational Risk</b></p> <p>Caused by loss of efficiency in operations due to inadequacy of internal processes, policies, people, or systems, which can result in accidents or financial losses.</p>	<p><b>7. Regulatory Risk</b></p> <p>Linked to legal penalties that may generate financial or image losses due to non-compliance with external and internal sector regulations and legislation.</p>	<p><b>8. Cyber/Technological Risk</b></p> <p>Refers to threats that may result in the leakage of information or data from Customers, Crewmembers, Partners, third-parties, or commercial information.</p>
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# Safety for Everyone

GRI 3-3 – Operational Safety, 403-9 / DJSI – Occupational Health and Safety 2018

In 2022, we launched the ‘Safety for All’ initiative, consolidating all safety areas under one directorate. In 2023, we reaped valuable fruits from this. There was a notable expansion of the safety scope, reinforcing the synergy between our fronts of action to ensure the highest levels of safety for all Azul. In all its particularities, united to make Azul safer.

Safety is our core value and our highest priority within Azul, so we dedicate significant resources to promote training, improve procedures, and foster internal communication so that each Crewmember considers safety as their daily conduct. The consolidation under a single umbrella has resulted in an increase in interdepartmental committees and meetings,

Understanding Azul’s Safety Policy is required for all Crewmembers, and third-party contractors. It establishes commitments related to Safety, Risk Level, Information Culture, Leadership, Fair Culture, Errors and Violations, Commitment to Safety Management, and Safety Culture. The primary objectives include identifying hazardous situations, assessing and analyzing risks, implementing measures to mitigate these risks, and evaluating the effectiveness of the implemented actions. These efforts are subject to annual inspections by the aerospace authorities of the National Civil Aviation Agency (ANAC).

We address the requirements of both national and international regulatory agencies by organizing internal and supplier audits and developing action plans to address any irregularities identified. Additionally, we actively participate in BCAST, the Brazilian Commercial Aviation Safety Group, working alongside airlines and ANAC to enhance operational safety in commercial aviation.

## IOSA Certification

In 2023, we passed by IOSA audit from the International Air Transport Association (IATA) and renewed our certification for another 2 years. IOSA is a globally recognized and accepted assessment standard designed to evaluate an airline’s management systems and operational control, demonstrating Azul’s compliance with the most rigorous safety standards established by IATA.



**At Azul, safety is an integral part of the organizational culture. Therefore, various trainings, educational campaigns, and information sharing sessions are conducted with the aim of ensuring that all Crewmembers are prepared to face the daily challenges related to the topic.**



# ASAS

ASAS is a peer support program conceptualized in 2023 and developed by the Human Factors Coordination of the Quality and Safety Board. It consists of a team of pilots properly trained and focused on mutual assistance. The program is scheduled to launch in April 2024 and aims to connect pilots who share the same reality or who seek guidance and advice when experiencing certain everyday situations.

## Work-related injuries GRI 403-9

2023

Classification	Crewmembers
Number of fatalities as a result of work-related injuries	0
Rate of fatalities as a result of work-related injuries	0
Number of high-consequence work-related injuries (excluding fatalities)	22
Rate of high-consequence work-related injuries (excluding fatalities)	0
Number of mandatory reporting of work-related injuries; (including fatalities)	262
Rate of mandatory reporting of work-related injuries; (including fatalities)	0

Note: It does not include non-employee workers. The types of workplace accidents that occurred were related to falls, vehicle accidents, exposure to chemicals, equipment accidents, and trauma injuries.

Our Safety Culture is strengthened by multiple strategies, and a hallmark of the company is the Quality and Safety Seminar. It's an annual event, the 11th edition of which took place in 2023, featuring the participation of notable figures in aviation and security, fostering the exchange of ideas through panels, lectures, and workshops. Additionally, in line with our Safety Policy, Crew Members are constantly encouraged to report any condition that may put our activities at risk, thus making them active agents in managing Azul's quality and safety.

Our Operational Safety Management System (SGSO) addresses issues such as the verification of Azul's SGSO procedures and the analysis of the effectiveness of the actions implemented. The participation of operational areas is encouraged through Safety Promotion actions, such as newsletters, campaigns from the areas, and dissemination of the Safety Policy, SGSO training, CRM, among other initiatives.

Our Operational Safety Management System (SGSO) includes various procedures for Safety Assurance, mainly through the creation and monitoring of mitigating actions, always aiming for collaborative work among the various areas of Azul. At the operational level, Integration Meetings promote work among teams, raising inconsistencies and initiating the handling of matters not in accordance with safety and quality standards. The next level of action is the Quality and Safety Committee, or Internal Committee, where the Board's managers review and plan actions for the findings that arose in the Integration Meetings, among other monitoring and process alignments.

The Safety Committee of the Maintenance Organization (CSOM) is the tactical link for safety in RBAC 145 Maintenance (hangar maintenance). Regarding RBAC 121 Maintenance (line maintenance), strategic dealings are carried out within the scope of integration meetings. The Quality Committee (CQA) manages corporate quality

as a tactical link, implementing practices for high quality standards. In 2023 we underwent the IOSA audit, IATA's operational safety audit, and renewed our IOSA certification for another 2 years. This is a recognized and internationally accepted evaluation system, designed to assess the management and operational control systems of an airline. The IOSA certification speaks volumes about Azul's high level of commitment to aviation industry safety. We had an update in the Emergency Response Management, increasing the number of trainings and simulations, as well as new classes of SAT, the Special Assistance Team.

Regarding the management of safety risks, monitoring and management of processes occur through our database - AQD. In 2023, 2,985 actions were implemented to mitigate or control risk. These implemented actions originate from procedures related to the quality and safety of operations, such as inspections, investigations, audits, and risk assessments.

To prevent any accidents, the company adopts the elimination of danger, replacement of equipment and materials, engineering controls, administrative controls, and personal protective equipment (PPE), as well as risk assessment, training and awareness, preventive maintenance, safety policies, supervision and management, accident investigation, open communication, continuous monitoring, compliance with legislation, and safety incentives.

**In 2023, we underwent the IOSA audit, IATA's operational safety audit, and renewed our IOSA certification for another 2 years.**



## Health and Safety Management GRI 403-1, 403-2, 403-4, 403-5, 403-7, 403-8

The company involves workers in the process of developing, implementing, and evaluating the occupational health and safety management system through direct participation in the Internal Accident Prevention Commission (CIPA); the SESMT team (Specialized Services in Safety Engineering and Occupational Medicine); and initiatives such as SIPAT (Internal Week for Accident Prevention at Work).

For hazard identification, risk assessment, and incident investigation, the Company adopts routine and non-routine processes, such as safety inspections, accident, and incident analysis, assessment of the impacts of organizational changes, as well as ergonomic, chemical, physical, specific task, construction project, non-conformance case, and special project risk management.

The results are used to improve the health and safety management system, with the establishment of performance indicators, training, contingency plan review, and investment in technology and equipment, among others.

If workers wish to report hazards and hazardous situations in the workplace and activities, they can access email addresses, intranet channels, applications, and online platforms, health committees, or communicate with leadership and the occupational health and safety team. The worker who reports the occurrence is guaranteed confidentiality and no punishment – in addition to the right to refuse the activity.

Among the stages of investigating work incidents are: recording; detailed description, assessment, and management improvement; incident notification and identification of its hazardous nature; severity assessment; associated risk assessment; adoption of an investigation team; root cause analysis; and adoption of corrective measures.

Azul offers all Crewmembers, as needed, health and safety training and capacity building such as:

- Integration or orientation for new Crewmembers
- Firefighting
- Handling of chemicals
- Use of PPEs
- Prevention of occupational diseases
- Machine and equipment safety
- Working at heights
- Working with electricity
- Handling of hazardous chemicals
- Operation of machinery and equipment
- Cargo handling
- Emergencies



**We value the consultation and active participation of our Crewmembers and Partners, constantly seeking to improve the performance of our occupational health and safety management system**



## Data Protection

At Azul, the confidentiality and protection of Customers, Crewmembers, and Partner's data are topics handled with utmost scrutiny, guided by our Privacy Policy. The Information Technology (IT) area is integral to our operation, connecting processes and consolidating all segments of Azul's business. In 2023, we conducted a comprehensive restructuring, organization, and implementation of new automation projects, incorporating cutting-edge technologies such as artificial intelligence (AI) to enhance our operations. An example is the use of AI, initially employed in chats on the corporate website, now integrated into the call center, providing information to our Customers quickly and efficiently. Another example is the provision of specialized training for our Crewmembers, promoting an understanding of the importance of data security in our daily routine.

We have implemented a proactive strategy for continuous improvement in our technology and cybersecurity processes. To ensure that our team is well-informed and trained, we provide a portal dedicated exclusively to cybersecurity on our internal website. This resource is a valuable source of information and education for our Crewmembers, allowing them to stay updated on industry best practices and trends. In 2023, there were no records of cyberattacks. Additionally, we made significant investments in cybersecurity, aiming to continuously incorporate improvements and new technological tools. We are vigilant in data protection at all stages of our operations, including physical monitoring, strict access control, and the implementation of advanced data loss prevention (DLP) solutions. With these measures, we efficiently monitor file traffic, ensuring the integrity and confidentiality of information, and preventing any form of data leakage.

In 2023, we also carried out several initiatives to promote data security internally, such as the Azul Hackers Rangers (internal cybersecurity competition with training and gamification on information security compliance) and the development of our own artificial intelligence language model, with data protection for Azul and Crewmembers.

**Azul makes significant investments in cybersecurity, aiming to continuously incorporate improvements and new technological tools**





# Environment

We prioritize sustainability alongside connectivity, which means we're constantly seeking ways to improve our environmental practices for a more sustainable future.

Environmental considerations are integrated into every aspect of our organization, leading to the development of practical solutions that result in ongoing improvements.

# Climate change management

GRI 305-1, 305-2, 305-3, 305-6, 305-7, SASB TR-AL-110a.1, 110a.2, 305-4

Data from the IPCC indicate that international aviation accounts for approximately 2% of global carbon emissions. In Brazil, the main sources of emissions are changes in land use, followed by energy production and road transportation. In this context, Brazilian civil aviation contributes less than 0.4% of national emissions, and only 0.02% of the global total, according to data from the Ministry of Science, Technology, and Innovation.

Although aviation has a relatively modest impact globally, Azul recognizes climate change as a significant concern and material issue for our business. Therefore we are committed to leading decarbonization efforts in the Latin American context. In 2023 our medium-term emission reduction target was approved by the Science Based Targets Initiative (SBTi). See the approved target at [this link](#).

Azul understands the decarbonization process as an important opportunity for the international industry and for stimulating low-carbon agriculture, bioeconomy, biofuels, and the conservation of Brazilian ecosystems.

Our Sustainability Policy establishes our governance for sustainability and climate change. Our Board of Directors is the main guardian of sustainability and includes an advisory ESG Committee with four independent advisors. Additionally, our governance includes an ESG Forum at the management level to monitor key annual projects.

The company encourages the commitment of executive leadership to ESG goals and climate performance by linking part of variable compensation to the evolution of indicators, ensuring Azul's continuous progress in its sustainable practices.

Committed to effective and transparent management of the climate change issue, Azul has established four pillars of action on the topic: emissions management, climate-related opportunities management, innovation, and engagement with stakeholders.

## Emissions in metric tons of CO<sub>2</sub>, equivalent (tCO<sub>2</sub>e)

	2021	2022	2023
<b>Scope 1 - Direct greenhouse gas emissions*</b>	2.474.302,41	3.089.851,26	3.300.728,83
<b>Biogenic emissions Scope 1</b>	92,841	589,86	1.676,97
<b>Indirect greenhouse gas emissions from energy procurement**</b>	765,946	316,11	398,41
<b>Scope 3 - Other indirect emissions (Scope 3) of greenhouse gases***</b>	3.665,94	871.376,51	1.118.351,82
<b>Biogenic emissions Scope 3</b>	485,401	9.762,71	42.598,00

Note: gases considered in the calculation: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, and biogenic CO<sub>2</sub>.

\* Emission sources considered: stationary combustion, mobile combustion, fugitive emissions, and effluents.

\*\* Emission sources: indirect emissions from the purchase of electricity - location-based approach. It is important to note that in 2023 we acquired energy in the free market, resulting in zero Scope 2 emissions by choice of purchase, with traceability by IRECs (Renewable Energy Certificates) and self-declarations.

\*\*\* Scope 3 categories considered: purchased goods and services (snacks offered on board, flight catering, beverages, screws, speed tape, lubricating oil, paper, cardboard boxes, tires), capital goods (aircraft leasing), fuel and energy-related activities not included in Scopes 1 and 2 (fuel production emissions - Well to tank - WTT), upstream transportation and distribution (handling operations, catering, push-back equipment, ground transportation of Azul Cargo operations, courier services), waste generated in operations, business travel, commuting, use of products sold (tourism packages), and franchises (Azul Cargo Stores and Azul Travel Stores).

\*\*\*\*There has been an increase in the tracking of our scope 3 emissions, resulting in an increase in biogenic emissions mainly from sources in the upstream T&D category.

1 The SBTi is a joint initiative of the Global Compact and renowned scientific institutions such as the WRI (World Resources Institute) and CDP (Disclosure Insight Action), aimed at overseeing companies' goals worldwide through a detailed evaluation process conducted by independent experts.

# Greenhouse Gas Emissions (GHG) management

Since 2018, Azul has been dedicated to measuring its greenhouse gas emissions using the recognized GHG Protocol method. In 2022, the company achieved the Gold Seal of the Brazilian GHG Protocol Program.

In 2023, Azul intensified the mapping of its emitting activities in the value chain, improving the scope of Scope 3. This process of continuous improvement demonstrates the maturity and commitment of our company's efforts to the decarbonization agenda and the ability to engage key suppliers in data collection and mapping of carbon reduction projects.

<u>Other GEE emissions GRI 305-6</u>		
	<b>2023</b>	
<b>Refrigerant gas</b>	<b>t GEE</b>	<b>t CO<sub>2</sub>e</b>
HFC-32	0.13005	88.044
HFC-125	0.13005	412.259
HFC-134a	0.223	289.9

<u>Other atmospheric emissions GRI 305-7</u>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Specific NOx emissions for passenger transport (g NOx / PKT)	0.25	0.26	0.24
Specific NOx emissions for cargo transport (g NOx / TKT)	5.87	4.57	4.45



## Emissions reduction

We are committed to leading the way towards aviation with a lower environmental impact, our medium-term target approved by SBTi is to reduce by 46% the emissions intensity per RTK by 2030 compared to 2019 levels.

We have developed our decarbonization strategic plan aligned with international industry guidelines, including SBTi, the Intergovernmental Panel on Climate Change (IPCC), CORSIA, and anticipating future national regulations.

Azul's climate neutrality target is 2045, five years ahead of the sectoral target. Our ambition is to maintain the pace of the Fleet Renewal Program to operate with increasingly modern and efficient aircraft. Likewise, our decarbonization strategy considers the growth of the Fuel Efficiency Program (PEC) and the electrification of ground equipment at airports with infrastructure to support these programs optimizing our ground operations and improving our climate impact by leveraging Brazil's environmental benefit of having one of the cleanest electric grids in the world.

Our decarbonization plan also considers the gradual implementation of Sustainable Aviation Fuels (SAF) in our operations, following the premises of international regulations and national legislations under development.

SAF stands for Sustainable Aviation Fuel in English, or combustíveis sustentáveis de aviação in Brazilian Portuguese. SAF is a technological alternative to conventional fossil fuels, significantly reducing greenhouse gas emissions throughout the fuel's life cycle, from production to combustion during flight.

We are prepared for the use of sustainable fuel as a result of having the youngest fleet in Latin America, with engines capable of operating with these biofuels. However, it is important to note that SAF availability in Brazil is still limited, the regulatory framework is under construction, and some points still need to be addressed, such as national emission factors for each technological route.

In the pursuance of prioritizing emissions reduction actions and projects, we use the Marginal Abatement Cost Curve (MACC) tool and establish an internal carbon price, aligned with the value of carbon credits offset in the EU-ETS system, approximately 100 euros per ton. This value serves as a reference for expectations regarding the national carbon market and CORSIA.

It is important to note that with the growing concern about climate change, questions about carbon offsetting are also recurring. Voluntary carbon offsetting is a market instrument to balance carbon emissions that have not been internally reduced.

In 2022, Azul launched a project allowing our Customers to voluntarily offset their carbon emissions. The projects included in the credit portfolio meet the Verified Carbon Standard (VCS) and focus on preserving and promoting local development, contributing to socio-economic growth in the Legal Amazon region.

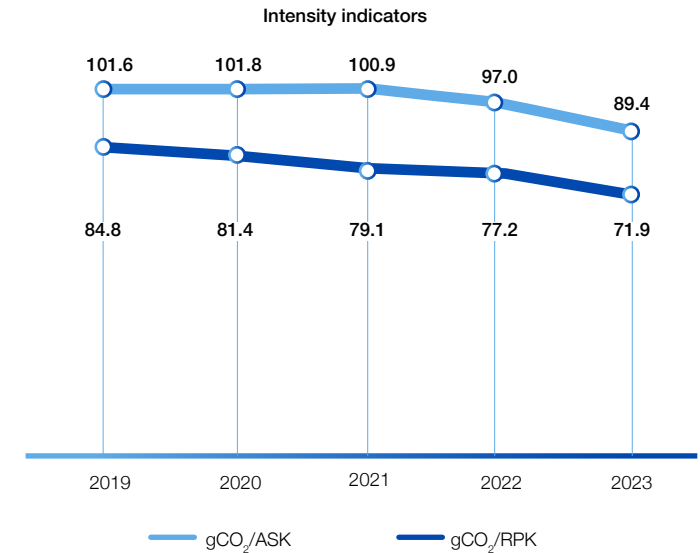
Voluntary offsetting should be the last resort implemented to neutralize residual emissions after all internal reduction efforts and value chain improvements have been developed.

Azul participates in some compulsory offsetting programs, under international regulations, reinforcing our commitment to transparency and environmental responsibility:

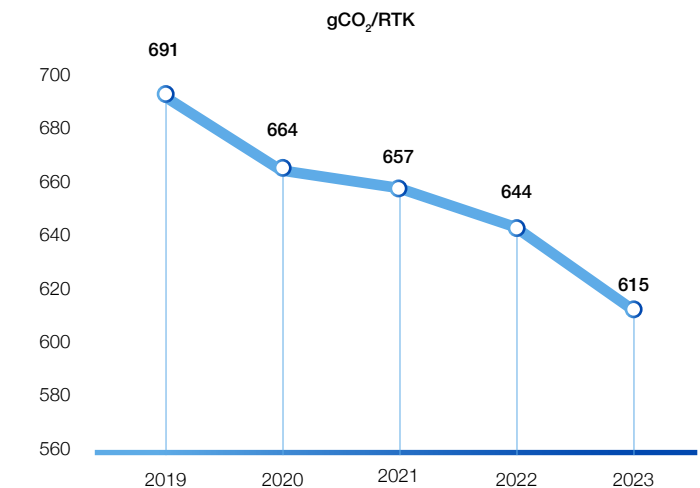
- European Union Emissions Trading Scheme (EU-ETS);
- United Kingdom Emissions Trading Scheme (EU-UK);
- CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) is an ICAO program aimed at reducing and offsetting carbon emissions from international flights. We currently participate in MRV, and the compulsory offsetting phase will begin in 2027.

We monitor our reduction performance using the following indicators:

GRI 305-4 Greenhouse Gas (GHG) Emissions Intensity



SBTi Indicator



# Fuel Efficiency Program

Since 2016, our Fuel Efficiency Program (PEC) has been integrated into every aspect of our company. The PEC aims to continuously identify and implement process and procedure improvements to optimize fuel consumption and minimize CO<sub>2</sub> emissions.

In 2023, the PEC resulted in saving over 93 million liters of JET A-1 kerosene, which is equivalent to avoiding approximately 235 thousand tons of CO<sub>2</sub> emissions.

Azul not only implements industry-standard solutions but also pursues projects that are highly innovative and disruptive compared to the global standard. Some of the key projects developed in 2023 include:

## APU Zero

It is a project that since 2022 aims to minimize the use of the Auxiliary Power Unit (APU) on aircraft. This third engine is used to keep the aircraft systems running during boarding and deplaning, as well as to generate electricity during flight, consuming the aircraft's kerosene and emitting CO<sub>2</sub>.

The APU Zero uses external resources to keep the aircraft running on the ground. The electricity used can come from Ground Power Units (GPUs), Combos that combine GPUs and Air Conditioning Units (ACUs), both powered by diesel. In some bases, we also use the 400Hz solution, which connects the aircraft directly to the electrical and cooling infrastructure of the airport.

We have already implemented APU Zero in 19 bases, resulting in savings of over 31 million liters of kerosene and avoiding 80 thousand tons of CO<sub>2</sub> emissions.

## Single Engine Tax In (SETI) and Single Engine Tax Out (SETO)

It is a very common procedure in the industry that consists of moving the aircraft on the ground with only one engine running. It resulted in a saving of 14 thousand tons of fuel and over 11 thousand tons of CO<sub>2</sub>.

## Encurtamento de Rota (Route Shortening)

Our engineering team analyzes potential route optimizations, and while in flight, pilots are provided with recommendations on segments that could be shortened. These decisions are made collaboratively between the captain and the air traffic controller.

In 2023, we had an average of 54% of flights with a reduction in the planned distance, equivalent to about 14 thousand tons of Jet A-1 fuel or 44 thousand tons of CO<sub>2</sub>.

## Opti Climb

This project, initiated in December 2023, is highly innovative. It focuses on optimizing the climb profile for aircraft, thereby improving fuel efficiency by up to 100 kg of kerosene per climb. Given Azul's extensive operation with nearly a thousand daily flights, this initiative holds significant promise for fuel savings and carbon emissions reduction.

## Descent Profile Optimization (DPO)

This project focuses on fuel savings during the aircraft's descent phase, similar to climb optimization. Our Engineering team conducts training sessions with pilots to emphasize the significance of our projects in making our operations more sustainable. We track commanders' compliance with each project and recognize outstanding performance through our PEXX Award program.



# The most modern fleet in the market

At Azul, we operate with the concept of “the right aircraft in the right market.” With our modern and diverse fleet, we can match the right supply to existing demand and minimize our costs. In 2023, our fleet transformation program incorporated 11 next-generation aircraft, reaching the milestone of 80% of the fleet composed of these new models. Our goal is to reach 97% of the fleet with next-gen aircraft by 2026.

We received 6 E195-E2 aircraft as part of our fleet renewal program. The new model can accommodate up to 136 seats in high density, compared to 118 in the previous model, consuming 20% less fuel with less noise. Financial advantages also include a 26% reduction in cost per seat and a 40% lower maintenance cost.

Additionally, we added 2 ATRs to our fleet. The new models, with next-generation engines, consume 3% less fuel and will gradually replace older models.

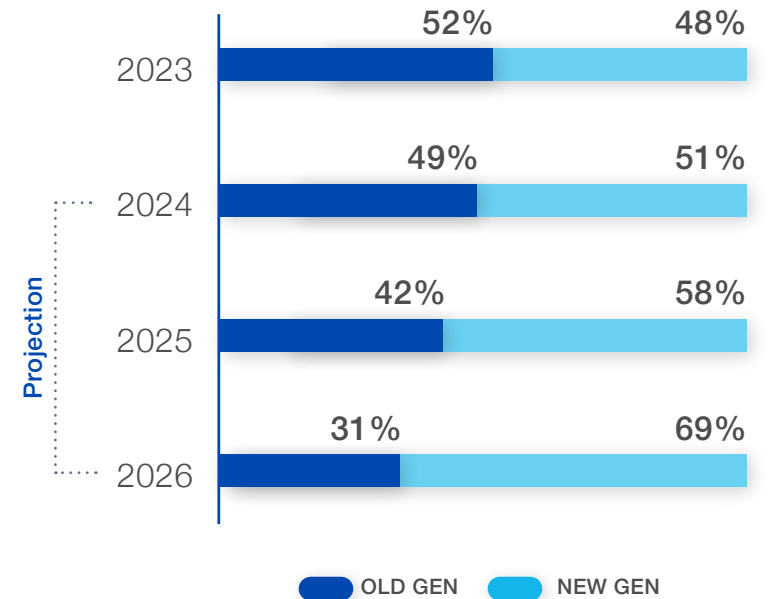
In 2023, we also added 3 more A320NEOs to our fleet, a modern aircraft that reduces fuel consumption by around 15%. These planes arrived in Brazil with a portion of Sustainable Aviation Fuel (SAF) sourced


from Europe through the HEFA route, which involves producing renewable fuel from esters and hydroprocessed fatty acids.

## Noise reduction

Considering the acoustic comfort of Customers, Crewmembers, and residents near airports, our next-generation aircraft ensure a lower noise level during all flight stages, with Stage 5 noise certification from ICAO.

Fleet Composition (projection)



  
**In 2023, the average age of the fleet was 7.6 years**

# Climate risk and opportunity management

Azul is conscientious of the challenges and opportunities brought by climate change, which can affect our operations, finances, and business model in complex ways.

The climate management of these risks and opportunities is coordinated by the company's sustainability team, accessing all operational and administrative teams interacting with the issues. All results are internally discussed in quarterly ESG Committee meetings and externally in forms, ESG ratings, and in our Climate Report.

To navigate this context, we have adopted a proactive approach and developed a risk and opportunity matrix based on the methodology of the Task Force on Climate-Related Financial Disclosures (TCFD). This multidisciplinary effort allows us not only to identify and mitigate potential threats but also to actively explore opportunities in new services and products that contribute to a low-carbon economy.

For transition risks, we rely on experts to build and monitor the development of public policies, while operational teams assess physical risks, their financial impacts, and the need for operational adjustments. For more details, we recommend checking our Climate Report, available on our website.

As an example of the opportunities we are exploring, our decarbonization strategy includes the Fuel Efficiency Program (PEC) and the Fleet Renewal Program. These initiatives are fundamental to the company's longevity and growth plan, with capital investments (capex) and operating expenses (opex) aligned with these objectives. Additionally, future scenarios of operations electrification, sustainable fuel use, and emissions offsetting are constantly evaluated to build more sustainable solutions for our Customers.

For the development of our decarbonization strategy and the MACC curve, we conducted a detailed analysis of climate scenarios. Our assumptions are aligned with the warming limit of up to 1.5°C, following the sectoral protocol established by the Science Based Targets Initiative (SBTi) and using the most up-to-date scientific data from the IPCC. We complemented our assessment with insights from the World Resources Institute's Aqueduct and Brazil's Ministry of Science, Technology, and Innovation's (MCTIC) climate projections. This approach has allowed us to identify the most critical physical risks to our operations.

We have designed 3 climate scenarios:

1. NetZero 2045 Scenario: aligned with the projections of IPCC's SSP 1-2.6;
2. NetZero 2050 Scenario: aligned with the projections of IPCC's SSP 2-4.5;
3. NetZero 2060 Scenario: aligned with the projections of IPCC's SSP 3-7.0.

In all of them, we are considering emissions reduction efforts in coherence with sectoral scenarios.



**We conduct detailed analyses of climate scenarios to build our decarbonization strategy.**



## Climate change adaptation

Our actions in climate change adaptation occur along two axes: a more reactive process and a more strategic process.

We have a specialized meteorology team that produces climate condition bulletins for operations. This team is located within our Operations Control Center (OCC) and is responsible for initiating the company's response to weather events. Thus, decisions such as continuing with planned flights or canceling flights are made by a

committee, always considering operational safety, which is non-negotiable for us.

In the strategic process, we are working on a medium and long-term plan in collaboration with the main managers of the airports in our hubs to jointly deepen our understanding of the impacts of climate change on operations and conduct a survey of resilience points and infrastructure improvement gains.

It is important to note that during extreme weather events, airports suffer greater damage to infrastructure: runway

conditions that may deteriorate, physical infrastructure such as roof and cover conditions, supply and/or overload of energy, among others.

This is an effort to ensure the engagement of the entire chain in MRV programs, even if voluntary. Climate adaptation can be an important driver for the execution of works and reinforcement of airport infrastructure, thereby increasing the resilience of infrastructure and operations.



# Driving Innovation

While the world faces challenges related to climate change, the aviation industry stands out as one that seeks solutions to reduce its carbon emissions and environmental footprint.

In these discussions, Azul recognizes its role in the aviation industry as a driver of innovation throughout the value chain. Therefore, our strategy involves engaging aircraft manufacturers, engine manufacturers, the biofuel production and distribution chain, airports, handling and catering activities, partnerships with regulatory agencies, and commercial Customers.

In recent years, we have signed technical partnerships to deepen discussions and joint efforts for sector decarbonization with the key links in the chain.

Internally, Azul promotes innovation through its Fuel Efficiency Program (PEC), an initiative that has permeated all areas of the company since 2016. The PEC is designed to identify and implement continuous improvements in processes and procedures, with the aim of optimizing fuel consumption and minimizing CO<sub>2</sub> emissions. This program is a fundamental pillar of our sustainability strategy, demonstrating our commitment to reducing environmental impact and the efficiency of our operations.

## Airways

Azul collaborates closely with the Department of Airspace Control (DECEA) to evaluate and continually enhance its flight routes, aiming to maximize operational efficiency. Recognizing the importance of this endeavor, we established a dedicated department called Rotas EATC (EATC Routes) focused on research and development for route optimization. This initiative not only achieves substantial savings in emissions and fuel but also positively affects our operational costs.

In 2023, more than 36 thousand flights benefited from optimized routes, leading to a significant reduction of 6.3 thousand tons of carbon emissions and approximately R\$12 million in savings.



## Electric aircraft

In November 2023, Azul Conecta, which handles regional and freight flights for Azul, partnered with Surf Air Mobility to work together on making airplanes with electric motors. The first-generation electric engines aim to reduce direct operating costs by up to 50% and eliminate 100% of direct carbon emissions.

The innovative technology will be applied to the fleet of Cessna Caravan, an aircraft model with a capacity for 14 passengers. Currently, Azul Conecta operates 27 Cessna Caravan aircraft, serving more than 80 destinations in Brazil. This agreement will enable the upgrade of this fleet with fully electric motors, using Surf Air Mobility's proprietary technology, already developed and certified.

The implementation of electric aircraft is aligned with Azul's strategy to eliminate carbon emissions by 2045. In addition to immediate environmental benefits, the agreement will accelerate the certification process, enabling a faster and safer introduction of this revolutionary technology to the market, which will positively transform the future of the aviation sector.





*“Our work with DECEA is important for the entire aviation sector. We focus on optimizing routes to streamline not just our flight time, which enhances our timeliness, but also fuel consumption.”*

**Diogo Youssef,**  
Engineering Operations Manager at Azul



In 2023, Azul Conecta, always dedicated to advancing regional aviation, announced the transformation of its first six fleet planes into hybrid aircraft in partnership with the American company Ampaire. This measure will not only contribute significantly to pollution reduction but also result in greater economic efficiency.

## Hybrid Technology

In 2023, Azul Conecta, always dedicated to advancing regional aviation, announced the transformation of its first six fleet planes into hybrid aircraft in partnership with the American company Ampaire. This measure will not only contribute significantly to pollution reduction but also result in greater economic efficiency.

The model chosen by Azul for this upgrade is the Cessna 208B Grand Caravan, the smallest aircraft in its fleet. Used even on the route between Congonhas (SP) and Jacarepaguá (RJ), this single-engine plane has a capacity for 9 passengers and a range of 1,982 km.

The hybrid approach will involve installing an electric motor together with the Pratt & Whitney combustion engine. During different phases of the journey, electric power and fuel will alternate their use, with electricity being used during taxiing and cruise flight, while both engines will be activated during takeoff. On shorter routes, it is even possible to operate the entire flight in electric mode.

Known as Eco Caravan, this aircraft can reduce its kerosene consumption by up to 70%. When powered by renewable fuels, emissions throughout the life cycle can reach zero, enabling completely sustainable flights. According to Azul, this aircraft can also reduce seat cost per kilometer by up to 25%, a crucial metric for pricing formation.

# Engagement and disclosure

With pride, we share our climate advancements voluntarily through renowned platforms such as GHG Protocol Brazil, Disclosure Insight Action (CDP), the Task Force on Climate-Related Financial Disclosure (TCFD), and the Corporate Sustainability Index (ISE B3), reinforcing our commitment to transparency and promoting a climate leadership movement in the aviation sector.

We actively participate in national forums, international sustainability workshops, and workgroups with regulators,

industry associations, and entities to contribute collectively to the construction of regulatory frameworks for decarbonization in Brazil.

- IATA (International Air Transport Association)
- ALTA (Latin American Air Transport Association)
- Workgroups on Environment, Sanitary Regulation, and Climate Change at ANAC
- Global Compact
- CEBEDS

Also partnering with CNPEM (National Center for Energy and Materials Research) and UFRN for the development of scientific research on SAF, contributing to knowledge gap solutions and sustainable aviation fuel modeling for the national scenario.

With the ongoing national regulatory movements, another consolidated area of action and engagement involves advocacy with legislators, regulators, and the technical bodies of ministries involved in sustainability issues.

Our contributions are based on solid technical and scientific data and future scenario modeling from our strategic planning. Thus, we were able to map the synergies of Azul's Decarbonization Plan with ongoing regulations.

We recognize the role of aviation in the planet's sustainable development as a driving force for economic development and cultural enrichment through tourism.

With a network covering more than 160 destinations throughout Brazilian territory, Azul plays a vital role in connectivity and regional development that promotes the valorization of Brazilian destinations and embraces the richness of our diverse Brazilian identity.



# Energy management

GRI 302-1, 302-2, 302-3, 302-4 e 302-5

Energy management is a top priority at Azul, reflecting our dedication to operational efficiency and environmental sustainability. We closely track our energy usage, particularly focusing on fuel consumption across all our operations. To continually lessen our environmental footprint, we constantly refine our processes and initiate eco-friendly projects.

In 2023, our energy consumption comprised fuels and electricity, registering an intensity of 0.00103. Concurrently, we launched an efficiency initiative aimed at cutting energy usage, primarily by enhancing operational efficiency. The reductions achieved since our base year in 2019 amounted to 3 gigajoules (GJ). These reductions encompassed both fuel and electricity consumption.

Our approach to calculating emission reductions adheres to recommended standards, ensuring the accuracy and reliability of our reported data on energy consumption reduction.

**Azul is always seeking ways to reduce its environmental impact through continuous improvement of its operational processes and the implementation of eco-efficiency projects**

Energy consumption within the organization GRI 302-1				
	2021	2022	2023	
	GJ	GJ	GJ	MWh
Diesel	4,097.99	1,215,734.15	236,030.22	65,380.37
Gasoline	3,743.51	28,787.21	4,018.58	1,113.15
Kerosene	41,951,504.26	41,704,853.94	44,876,472.02	12,430,782.75
LPG	31.60	1,286.28	0.10	0.03
Ethanol	201.83	118,872.67	1,028.39	284.86
Biodiesel*	-	-	24,237.33	6,713.74
Electricity	2,757.41	26,654.50	37,450.97	10,373.92
<b>Total</b>	<b>41,962,336.60</b>	<b>43,096,188.75</b>	<b>45,179,237.62</b>	<b>12,514,648.82</b>
<b>Fossil</b>	<b>42,048,455.05</b>	<b>43,097,392.59</b>	<b>45,116,520.92</b>	<b>12,497,276.30</b>
<b>Percentage Fossil</b>	<b>99.80%</b>	<b>97.37%</b>	<b>99.86</b>	<b>99.86</b>
<b>Renewable</b>	<b>2,757.41</b>	<b>26,654.50</b>	<b>62,716.69</b>	<b>17,372.52</b>
<b>Percentage Renewable</b>	<b>0.20</b>	<b>2.63</b>	<b>0.10</b>	<b>0.10</b>

Note: \*Biodiesel quantity started being accounted for in 2023.

Energy consumption within the organization GRI 302-2		
	2023	
	GJ	MWh
Diesel	1,427,705.99	395,474.56
Gasoline	2,268,912.70	628,488.82
Ethanol	580,632.98	160,835.34
Biodiesel*	146,607.43	40,610.26
Electricity	49,533.65	13,720.82
<b>Total</b>	<b>4,473,392.75</b>	<b>1,239,129.79</b>
<b>Fossil</b>	<b>3,696,618.69</b>	<b>1,023,963.38</b>
<b>Percentage Fossil</b>	<b>82.60</b>	<b>82.60</b>
<b>Renewable</b>	<b>776,774.06</b>	<b>215,166.42</b>
<b>Percentage Renewable</b>	<b>17.00</b>	<b>17.00</b>

Fuel consumption SASB TR-AL-110a.3			
	2021	2022	2023
SAF (liters)	-	-	7,353
Specific fuel consumption for passenger transportation (liters/100 PK)	2.85	2.67	3.43
Specific fuel consumption for cargo transportation (liters/TKT)	0.67	0.52	0.10

# Ara Moviment



The Amazon region is heavily impacted by changes in land use and large-scale deforestation, activities responsible for the majority of greenhouse gas emissions in Brazil. Mindful of environmental and climate issues, Azul has launched the Ara Movement, which promotes entrepreneurship and business development in the Amazon region. The idea is to leverage our reach and connectivity to foster regional economies, aiming to preserve the standing forest. Azul is a leader in flights to the region, operating 115 flights per week to 43 destinations, thanks to its diverse fleet capable of landing at different airports.

In collaboration with 30 local entrepreneurs, including micro-entrepreneurs, cooperatives, and small businesses, Azul Cargo Express, present in 5,000 Brazilian municipalities (96% of the national territory), transports Amazonian products to the country's main commercial centers at affordable prices. By providing accessible and efficient transportation services, distinctive products from the Amazon region, such as bottled tucupi and other food products based on local cuisine, are finding their way to various destinations within Brazil and even internationally. Since its launch until the end of 2023, the project has already transported over 16 tons of products from the socio-bioeconomy of the forest.



## Forest People Connection

One of the projects supported by Azul is the Conexão Povos da Floresta, an initiative by MapBiomias aimed at bringing internet connectivity to approximately 1 million indigenous, quilombola, and extractivist people in the Amazon by 2025.

It is estimated that today there are 1 million people living in over 5,000 communities, protecting 120 million hectares of forest. To ensure a positive impact, we collaborate with representative organizations and operational partners well-versed in digital inclusion practices. This entails providing reliable high-speed internet access with ongoing monitoring for forest-dwelling populations, thereby facilitating access to essential services such as healthcare, education, entrepreneurship, cultural preservation, and territorial safeguarding.

Establishing connectivity within these communities is pivotal for advancing the bioeconomy within the Amazon region. In 2023, our collaborative efforts led to the delivery of 700 Internet Kits through Azul Cargo, benefiting an average of 13,000 individuals. This marks a significant step towards digital inclusion and sustainable development.



# Biodiversity GRI 304-2

We became pioneers in the aviation sector by joining the Business Commitment for Biodiversity, an initiative promoted by the Brazilian Business Council for Sustainable Development (CEBDS), which aims to highlight the importance of biodiversity and the role of companies in preserving and sustainably using natural resources. Azul has thus assumed three of the nine commitments proposed by the initiative and established specific goals to achieve them.



## Biodiversity Ambition (2020-2030)

### Program to combat biodiversity trafficking involving passenger and cargo transportation, with the following actions:

- Education: program for flight attendants and airport agents
- Institutional partnerships – regulatory agencies (IBAMA, Federal Police, Environmental Police, etc.)
- In-cabin marketing campaigns for passengers

### Offsetting program for emissions, with the following actions:

- Passenger education on the importance of Amazon conservation
- Transfer of resources to projects whose objective is to Reduce Emissions from Deforestation and Forest Degradation (REDD) in the Amazon

### Transportation program for the development of the Amazon's Bioeconomy, with the following actions:

- Partnership and support for NGOs working on local development in the Amazon
- Bioeconomy product transportation freight at prices below the market rate
- Support and humanitarian aid for projects in the Amazon that aim at local development and the protection of people who live in the forest region

In the Engagement and Awareness area, we established a partnership with “Amigos da Fauna” to provide training on combating illegal wildlife trafficking, adapted by UniAzul. In 2023, we conducted transportation of eight Lear’s macaws, birds that are endangered in the wild. After months of planning, an Embraer E2 departed from Belo Horizonte, in Minas Gerais,

to Curaçá, in Bahia, where the birds will be reintroduced into the wild. Through the Ação Voluntária (Voluntary Action) program, we started the Projeto Amazônia (Amazon Project) which supports local producers with freight at cost price, bringing development to the region.

Within the scope of monitoring impacts on fauna, we calculate that the frequency of bird strikes averaged 0.24% per operation in the year 2023. This highlights the effectiveness of the work continuously carried out in collaboration with our airport management Partners, demonstrating our commitment to safety.

**15.87%**  
of flights have origin or destination in the Legal Amazon in 2023

**29,970**  
flights originating in the Legal Amazon in 2023

# Waste management GRI 306-5, 306-4, 306-3

When it comes to waste management at Azul, we have two key programs: the Integrated Waste Management Program and the Hazardous Waste Management Program. Both initiatives work together, particularly in coordination with our safety and sustainability teams, ensuring compliance with the respective guidelines of each area.

Most of these wastes are linked to our hangars and the maintenance of our aircraft. They consist of packaging and various residues from each flight, used lubricating oils, kerosene, and contaminated cloths.

Commitments related to reusable packaging, recycled materials, and allocation of R&D resources for sustainable packaging and alternative solutions are concretized through the ReciclAzul program, aimed at recycling the cans generated on flights. Since 2022, wooden cutlery kits have been offered on international flights, replacing plastic models.

We closely monitor the generation and disposal of hazardous chemical waste produced during the maintenance of our aircraft. Additionally, we also assess the generation and disposal of waste managed directly or indirectly by Azul, following the principle of shared responsibility.

Our Partners in this area are subjected to periodic audits to ensure compliance with regulations, including obtaining the Environmental Operating License, registration in the Federal Technical Register of the Brazilian Institute of Environment and Renewable Natural Resources (CTF IBAMA), possession of the Fire Department Inspection Certificate (AVCB), and obtaining permits.



**Commitments related to reusable packaging, recycled materials, and allocation of R&D resources for sustainable packaging and alternative solutions are concretized through the ReciclAzul program, aimed at recycling the cans generated on flights**

Total weight of waste generated in the company's own activities	
	2023
Hazardous waste	Quantity generated (tons)
Hazardous solid state	133.76
Expired chemical products	22.66
Kerosene waste	74.37
Lubricating oil	27.54
Aerosol	0.51
Paints and solvent, and packaging	3.64
Infectious materials	7.60
Lamps (673 Units)	0.00
Batteries	0.77
<b>Total</b>	<b>270.85</b>

2023	
Non-hazardous waste	Quantity generated (tons)
Wood	44.5
Metal	4.27
Non-recyclable	251.09
Paper and cardboard	25.64
Plastic	4.48
Tire	1.91
Recyclables	50.61
Scrap	35.42
Aluminum scrap	0.54
Copper scrap	1.54
Discarded uniforms	6.37
<b>Total</b>	<b>426.37</b>

Waste generated by composition type (in tons)	2021	2022	2023
	Quantity generated	Quantity generated	Quantity generated
Hazardous waste (class I)	127.97	189.63	270.85
Non-hazardous waste (class II)	395.89	476.05	426.37
<b>Total</b>	<b>523.86</b>	<b>665.68</b>	<b>697.22</b>

Note: The data is obtained through receiving tickets and MTRs, and compiled into a spreadsheet. The data is from the operational bases of GYN (non-recyclable and infectious), PNZ and CGB (infectious), in addition to our hangars, CDI, CDA, and UniAzul.

\*The increase in waste generation over the years is justified by the growth of our operation

Total weight of waste disposed of	
2023	
Total weight of waste disposed of - Non-hazardous	Weight (tons)
Non-recyclable	251.09
<b>Total</b>	<b>251.09</b>

Total weight of waste disposed of – Hazardous	
2023	
Weight (tons)	
Hazardous miscellaneous waste	125.23
Infectious waste	7.67
Expired chemical products	22.66
Paints and solvents	3.64
Scrap	8.59
<b>Total</b>	<b>167.79</b>

Total weight of hazardous waste disposed of, by recovery operation	
2023	
Type of recovery – outside the organization	Total weight (tons)
Incineration (with energy recovery)	138.26
Incineration (no energy recovery)	12.33
Landfill confinement	17.2
<b>Total</b>	<b>167.79</b>

Total weight of non-hazardous waste disposed of, by recovery operation	
2023	
Type of recovery – outside the organization	Total weight (tons)
Landfill confinement	251.09
<b>Total</b>	<b>251.09</b>

Total weight of waste not destined for disposal	
2023	
Non-hazardous waste and NOT destined for disposal	Weight (tons)
Wood	44.5
Paper and cardboard	25.64
Plastic	4.48
Tire	1.9
Mixed recyclables	50.61
Scrap	35.42
Aluminum scrap	0.54
Copper scrap	1.54
Metal	4.27
Uniforms	6.37
<b>Total</b>	<b>175.27</b>

Note: Incineration (with energy recovery) (GRI 306-5 b.i) considers co-processing. For 'others', consider the explanation in RA2022.

We closely monitor the generation and disposal of hazardous chemical waste produced during the maintenance of our aircraft.



**Hazardous waste and NOT destined for disposal**

	<b>2023</b>
	<b>Weight (tons)</b>
Contaminated mix	120.48
Expired chemical products	15.63
Paints and solvent	3.6
Lubricating oil	27.68
Aerosol	0.51
Lamps (673 units)	0
Batteries	0.77
Kerosene	74.37
<b>Total</b>	<b>243.04</b>

**Total weight of hazardous waste not destined for disposal, by recovery operation**

Hazardous waste		
	<b>2022</b>	<b>2023</b>
Type of recovery – outside the organization <sup>1</sup>	<b>Total weight</b>	<b>Total weight</b>
Recycling <sup>2</sup>	31.60	74.38
Recovery (decontamination/recycling)	0.37	03
Re-refining	24.39	29.08
Treatment		0.25
<b>Total</b>	<b>56.36</b>	<b>103.71</b>

<sup>1</sup>Our operations at Viracopos hangar (Campinas/SP) were expanded, and two more operation lines were started, therefore significantly increasing hazardous waste, especially aviation kerosene.

<sup>2</sup>The values presented include ReciclAzul data.

<sup>3</sup>Recovery of 673 lamps.



**We evaluate the generation and disposal of waste managed directly or indirectly by Azul, following the principle of shared responsibility.**

**Total weight of non-hazardous waste not destined for disposal, by recovery operation**

Non-hazardous waste <sup>1</sup>		
	<b>2022</b>	<b>2023</b>
Type of recovery – outside the organization	<b>Total weight</b>	<b>Total weight</b>
Preparation for reuse	0	0
Recycling	218.60	166.86
Coprocessing	0	8.1
Sorting and Transshipment	0	0.35
<b>Total</b>	<b>218.60</b>	<b>175.31</b>

<sup>1</sup>The data was collected based on information on the volume destined for each collection and subsequently compiled in an electronic spreadsheet. The values do not consider the waste generated at cargo terminals (TECAS) and Azul Conecta Jundiaí, nor waste from airport apportionment. There was a reduction due to the decrease in the disposal of tires, which started to be sent for retreading.

**ReciclAzul**

ReciclAzul, our domestic flight waste recycling program, is implemented across 13 airports in our network. Recyclable items are segregated and collected separately, then mostly dispatched to nearby recycling cooperatives for processing. These cooperatives handle the separation and processing of these materials. To date, we have recycled 16.8 tons of cans from onboard services.

**Eureciclo**

In partnership with Eureciclo, Azul ensures that the equivalent amount of plastic packaging used in the snacks served onboard is sent for recycling by partner cooperatives in the state where we operate our flights. Since the year 2020, we have already forwarded a total of 404 tons of packaging to these cooperatives.

# Use of materials

GRI 3-3: 301 – Materials, GRI 301-2, GRI 301-3 - GRI 3-3 – Eco Efficiency, GRI 301-2, 301-1



We maintain strict management of the materials we use, prioritizing products and materials that do not create negative environmental impacts. We adopt active recycling practices and work to minimize waste. We have a Natural Resources Management Manual and have implemented several initiatives aimed at reducing our environmental impact.

The main materials consumed in our operations include fuel, lubricating oil for aircraft maintenance, and packaging for snacks and beverages served onboard. We are pioneers in Brazil in recycling aluminum cans and other materials used in onboard service (see more about the ReciclaAzul program on page 68).

As we are not the manufacturers of the products and packaging used in onboard service, we cannot provide the exact percentage of recycled raw materials present in the packaging of snacks and beverages offered during flights. However, in 2023, we were able to recover about 16.8% of the beverage cans offered on aircraft.



The main materials consumed in our operations include fuel, lubricating oil for aircraft maintenance, and packaging for snacks and beverages served onboard. We are pioneers in Brazil in recycling aluminum cans and other materials used in onboard service

**Non-renewable materials (GRI 301-1 a.i)**

	<b>2023</b>
	<b>Weight (tons)</b>
Snacks served onboard	693.16
Bags for in-flight service	81.03
Earphones	11.7
Inter packaging	36.25
Lubricating oil	321.98
Tires	252.44
Speed tape	3.35
Screws	23.62
<b>Total</b>	<b>1,423.53</b>

**Renewable materials (GRI 301-1 a.ii)**

	<b>2023</b>
	<b>Weight (tons)</b>
Cardboard boxes	828.67
Paper	81.34
<b>Total</b>	<b>910.01</b>

**Materials**

	<b>2023</b>
	<b>Weight (tons)</b>
Subtotal of non-renewable materials	1,423.53
Subtotal of renewable materials	910.01
<b>Total</b>	<b>2,333.54</b>

Note: The above data is estimated through purchase records and material inventory. The consumption reduction initiative is part of the Paperless Project

**RECYCLED MATERIALS**

	<b>2023</b>
<b>Materials</b>	<b>Weight (tons)</b>
Total of raw materials or recycled materials used	17.07
Total of raw materials or materials used (total general of 301-1 a)	1,148.5
Percentage of raw materials or recycled materials used	1.49

Note: Data from direct measurements. For a better understanding of the data, values of snacks from in-flight services and plastic packaging for waste packaging, as well as the quantity of lubricating oil, were included. Last year, only the totals of lubricating oil were considered.

**AVOIDING WASTE**

Azul operates three cafeterias in partnership with third-parties committed to reducing food waste and loss. Our Partner adopts the Stop Food Waste Day program, conducting monthly measurements to assess food loss. Our annual waste rate is 12 tons.



**Paperless project**

**GRI 3-3 – Ecoefficiency**

We are the first Brazilian airline to have a pilot briefing system entirely in digital format. It is an application developed by Azul, with approval from ANAC. The idea is to eliminate 100% of the loadsheets, thus saving paper usage within the aircraft, streamlining the takeoff process, as well as fuel savings due to reduced weight in the cabin. As part of the program, we donate obsolete charts and manuals to aviation schools, which prevents the disposal of approximately 2520 kg of paper and promotes technical knowledge in the industry.

# Water resources

GRI 303-3, 303-4, 303-5

Azul sources water from the public supply for a range of purposes including drinking, sanitation, irrigation, cleaning, firefighting, cafeteria, and kitchen use. Management is primarily indirect due to the lack of separate measurement systems for companies sharing airport space. To encourage responsible water usage, we've implemented various initiatives to streamline consumption, such as using recycled water for washing external areas in Hangar VCP, recycling water from paint booths, and installing dual-flush toilets.

Taking into account the data from buildings exclusively used by Azul, where we can precisely measure, in 2023, 14.01ML of water was sourced from areas without water stress, and 0.58ML was disposed of, directed to third parties, resulting in total consumption of 13.43ML. It is important to note that there was no tangible impact related to water resource management.



**In 2023, 14.01ML of water was sourced from areas without water stress, and 0.58ML was disposed of, directed to third parties, resulting in total consumption of 13.43ML.**





# From people to people

We define ourselves as a people-oriented company. We are made of people and for people. Our DNA is all about fostering the growth of our Crewmembers, nurturing our relationships with Partners, and staying connected with our Customers. With our ethical values, we prioritize transparency and development in every relationship we maintain and in every destination we fly to. Sustainability is woven into every aspect of our business.



# Our Crewmembers

GRI 3-3 – Health and Well-being, 401-1, 401-3, 405-1

We are a people-oriented company. Here at Azul, this is not just a statement hanging on a wall; it is a habit ingrained in our corporate life. We want to be the best employer our Crewmembers have ever had, we want to be the best Partner for our Suppliers, and we want to provide the best flight experience for our Customers.

In 2023, our Satisfaction and Engagement survey yielded a record result, demonstrating our understanding of people. We had a high participation rate, with 87% of participating Crewmembers expressing happiness in being with us (learn more in the box), leading us to be voted the 4th best company to work for in Brazil, according to the annual ranking by the multinational human resources company Randstad. We had 30,000 applicants for our internship program. For us, this is the greatest reward we could receive. Beyond our goals pursued throughout the year, we excel in taking care of our people.

Being the most on-time airline in the world, as we were in 2022, and the second most on-time in 2023, is a result of the combined efforts of our thousands of Crewmembers who carry out their daily duties with respect and great passion.

The strengthening of the bonds we have as a team occurs through a series of initiatives and actions that encompass all areas of Azul. Our culture is one of our main assets because it is from it that our Crewmembers have the best experience of their lives, thus providing the best experience for our Customers.

We have a specialized and dedicated team for our various processes that bring our pillars to life. Upon arrival at Azul, Crewmembers are welcomed by the “Bem-Vindo a Bordo” (Welcome Aboard) program, so they can get to know the senior leadership and the history of Azul, as well as our culture, values, and key programs – including the Code of Conduct. In 2023, we conducted 30 sessions, with a total participation of 3,824 people, including 2,504 new Crewmembers.

In the “Chega Mais” (Come Closer) program, leading Crewmembers are appointed as godparents to visit our bases, thus promoting the sharing of our culture and interacting with other team members. In 2023, we carried out a total of 204 base visits, which received an average approval rating of 9.7.

Another relevant initiative is the “Portas Abertas” (Open Doors) program, which seeks to strengthen the ties between Azul, Crewmembers’ families, and friends through visits to our facilities. Throughout 2023, over 1,892 Crewmembers, family members, and friends had the opportunity to visit us and get a close look at the work environment and company culture.



*“We have solid values that we bring every day to the office, aircraft, airports, and Azul bases spread across Brazil and the world. In addition to a guide that someone hands us when we start our journey with the company, we put these fundamental values into practice in our day-to-day lives. Ethics, transparency, and honesty are the foundation of our values. This achievement is, in fact, our greatest pride.”*

**Jason Ward,**  
Vice President of People,  
ESG and Customers

## OUR AZUL

In December 2023, the new Culture Campaign, Our Azul, was launched. A new moment where the spotlight is entirely on our Crewmembers and their stories. What is ours, no one can copy, and that makes the sky even more Azul (blue).

Here, we have many stories to tell and good things to listen to. Whether those that bring tears to our eyes or those that make us laugh. There are people who have grown in various ways, always with integrity, being an example of goodness. And that makes Azul grow.

And you know what is part of our Azul? Flying for the first time and understanding why nothing is more important than safety. It is dreaming big and being open to the new, hand in hand with Innovation.

We observe people, understand them, and cater to who they are. Whether they are Customers or not. At our Azul, we take care of our people, always with consideration and respect. It is in our essence to recognize the excellence of our Crewmembers, who are impeccable in what they do.

We are passionate about who we are, and you are too, we know it. This is our way of continuing to build together the best airline in the world.

Our identity belongs to us, and it is Azul.

## Crewmember Experience

### Minha Azul App

95%

of Crewmembers using the App

### Fit Cultural/Social and more inclusive processes

Over 40 mil sign-ups per month

4<sup>th</sup> largest employer, included for the first time in the multinational human resources ranking by Randstad

## Role Exchange

What if a member of our Commercial team could spend a day in Congonhas airport’s maintenance department? In our culture, we value growth and development of our Crewmember. That’s precisely why we introduced the Troca de Papéis (Role Exchange) program. It’s designed to foster closer connections among our team members, allowing them to explore different areas of our company and gain a deeper understanding of Azul’s operations by experiencing the day-to-day activities across various departments. When departments have insight into each other’s routines, collaboration becomes more effective. We gain a better understanding of our challenges and opportunities, enabling us to support one another in a more sustainable and thoughtful manner.

Percentage of Crewmembers, by job category and gender

	2022		2023	
	Men	Women	Men	Women
Director	68	32	67	33
General/Senior manager	68	32	76	24
Manager	76	24	68	32
Airport manager	62	38	58	42
Specialist/Supervisor/Coordinator	66	34	65	35
Senior analyst	52	48	54	46
Mid-level analyst	57	43	58	42
Junior analyst	54	46	50	50
Assistant	48	52	41	59
Operational	84	16	83	17
Call center	39	61	36	64
Cargo	77	23	77	23
Airport	50	50	48	52
Maintenance	96	4	95	5
Flight attendant	24	76	26	74
Pilot	96	4	96	4
<b>Total</b>	<b>59</b>	<b>41</b>	<b>59</b>	<b>41</b>

Percentage of Crewmembers, by job category and age group

	2022	2023
<b>Director</b>		
Below 30 years old	0.00	0.00
Between 30 and 50 years old	64.00	61.90
Above 50 years old	36.00	38.10
<b>General/Senior manager</b>		
Below 30 years old	3.00	0.00
Between 30 and 50 years old	76.00	69.39
Above 50 years old	22.00	30.61
<b>Manager</b>		
Below 30 years old	0.00	3.60
Between 30 and 50 years old	70.00	73.38
Above 50 years old	30.00	23.02
<b>Airport manager</b>		
Below 30 years old	0.00	0.00
Between 30 and 50 years old	87.00	85.07
Above 50 years old	13.00	14.93
<b>Specialist/Supervisor/Coordinator</b>		
Below 30 years old	9.00	9.28
Between 30 and 50 years old	74.00	71.75
Above 50 years old	17.00	18.97
<b>Senior analyst</b>		
Below 30 years old	17.00	19.31
Between 30 and 50 years old	77.00	72.05
Above 50 years old	6.00	8.65

Percentage of Crewmembers, by job category and age group

	2022	2023
<b>Mid-level analyst</b>		
Below 30 years old	34.00	34.87
Between 30 and 50 years old	62.00	57.87
Above 50 years old	4.00	7.26
<b>Junior analyst</b>		
Below 30 years old	58.00	55.95
Between 30 and 50 years old	40.00	41.77
Above 50 years old	2.00	2.28
<b>Assistant</b>		
Below 30 years old	55.00	64.00
Between 30 and 50 years old	42.00	34.82
Above 50 years old	3.00	1.18
<b>Operational</b>		
Below 30 years old	18.00	27.19
Between 30 and 50 years old	70.00	60.83
Above 50 years old	12.00	11.98
<b>Call center</b>		
Below 30 years old	43.00	47.68
Between 30 and 50 years old	51.00	47.19
Above 50 years old	6.00	5.13
<b>Cargo</b>		
Below 30 years old	36.00	38.63
Between 30 and 50 years old	60.00	56.38
Above 50 years old	4.00	4.99

Percentage of Crewmembers, by job category and age group

	2022	2023
<b>Airport</b>		
Below 30 years old	38.00	40.02
Between 30 and 50 years old	57.00	54.95
Above 50 years old	5.00	5.03
<b>Maintenance</b>		
Below 30 years old	10.00	13.64
Between 30 and 50 years old	74.00	70.08
Above 50 years old	16.00	16.28
<b>Flight attendant</b>		
Below 30 years old	23.00	20.89
Between 30 and 50 years old	76.00	77.48
Above 50 years old	1.00	1.63
<b>Pilot</b>		
Below 30 years old	13.00	17.17
Between 30 and 50 years old	67.00	64.18
Above 50 years old	21.00	18.64
<b>Total</b>		
Below 30 years old	25.00	26.69
Between 30 and 50 years old	66.00	64.19
Above 50 years old	9.00	9.12

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**Percentage of Crewmembers from minority and/or vulnerable groups, by category**

	2022	2023
<b>Black – percentage</b>		
Director	0%	0%
General/Senior manager	3%	0%
Manager	0%	3%
Airport manager	3%	3%
Specialist/Supervisor/Coordinator	4%	4%
Senior analyst	4%	5%
Mid-level analyst	5%	6%
Junior analyst	10%	11%
Assistant	13%	11%
Operational	8%	9%
Call center	14%	14%
Cargo	13%	16%
Airport	7%	8%
Maintenance	7%	8%
Flight Attendant	3%	3%
Pilot	1%	1%
<b>Total</b>	<b>6%</b>	<b>6%</b>

**PWD - percentage**

	2022	2023
<b>PWD - percentage</b>		
Director	0%	0%
General/Senior manager	1%	0%
Manager	0%	0%
Airport manager	0%	1%
Specialist/Supervisor/Coordinator	1%	1%
Senior analyst	1%	2%
Mid-level analyst	2%	3%
Junior analyst	2%	4%
Assistant	8%	5%
Operational	2%	1%
Call center	4%	3%
Cargo	2%	1%
Airport	3%	3%
Maintenance	0%	0%
Flight Attendant	0%	0%
Pilot	1%	0%
<b>Total</b>	<b>1%</b>	<b>1%</b>



**Crewmembers by region and gender GRI 2-7**

			2023
	Men	Women	Total
North	301	194	495
Northeast	1,140	587	1,727
Midwest	322	165	487
Southeast	7,102	5,067	12,169
South	618	427	1,045
International	33	54	87
<b>Total</b>	<b>9,516</b>	<b>6,494</b>	<b>16,010</b>

**Crewmembers by type of contract and gender GRI 2-7**

			2023
	Permanent	Temporary	Total
Men	9,213	303	9,516
Women	6,114	380	6,494
<b>Total</b>	<b>15,327</b>	<b>683</b>	<b>16,010</b>



**We are a people-oriented company. Here at Azul, this is not just a statement hanging on a wall; it is a habit ingrained in our corporate life.**

**Crewmembers by type of contract and region GRI 2-7**

2023			
	Permanent	Temporary	Total
North	433	62	495
Northeast	1,582	145	1,727
Midwest	443	44	487
Southeast	11,791	376	12,169
South	989	56	1,045
International	87	0	87
<b>Total</b>	<b>15,327</b>	<b>683</b>	<b>16,010</b>

**Crewmembers by type of job and gender GRI 2-7**

2023			
	Full-time	Part-time	Total
Men	9,428	88	9,466
Women	6,415	79	6,432
<b>Total</b>	<b>15,731</b>	<b>167</b>	<b>16,010</b>

**Crewmembers by type of job and region GRI 2-7**

2023			
	Full-time	Part-time	Total
North	484	11	495
Northeast	1,698	29	1,727
Midwest	454	33	487
Southeast	1,025	20	1,045
South	12,148	21	12,169
International	34	53	87
<b>Total</b>	<b>15,843</b>	<b>167</b>	<b>16,010</b>

**Crewmembers with no fixed working hours by gender**

2023	
	Total
Men	6
Women	5
<b>Total</b>	<b>11</b>

**Crewmembers with no fixed working hours by region GRI 2-7**

2023	
	Total
North	0
Northeast	9
Midwest	0
Southeast	2
South	0
International	0
<b>Total</b>	<b>11</b>

Note: The reported data was obtained through the Payroll System (Apdata). The methodology used to count the total number of employees with contracts was direct counting. The total number of employees is based on the data included at the end of the reporting period, and we considered all Crewmembers with employment contracts (CLT and International, excluding interns) from all national and international company establishments. In October/23, we experienced a significant increase in the number of hires due to the high season. The number of hires during this period represents 2.5 times the average number of hires in the year.

**Total number and hiring rate of Crewmembers, by age group GRI 401-1**

2023		
Total number and hiring rate of Crewmembers, by age group	Hiring	Hiring rate
Below 30 years old	1,567	37.53%
Between 30 and 50 years old	1,487	14.27%
Above 50 years old	121	9.31%
<b>Total</b>	<b>3,175</b>	<b>19.97%</b>

**Total number and hiring rate of Crewmembers, by gender**

2023		
Gender	Hiring	Hiring rate
Men	1,851	19.55%
Women	1,324	20.58%
<b>Total</b>	<b>3,175</b>	<b>19.97%</b>

**Total number and hiring rate of Crewmembers, by region**

2023		
Region	Hiring	Hiring rate
North	106	21.41%
Northeast	512	29.65%
Midwest	124	25.46%
Southeast	2,240	18.58%
South	169	16.17%
International	24	27.59%
<b>Total</b>	<b>3,175</b>	<b>19.97%</b>

**Total number of Crewmembers who left the company and turnover rate, by age group**

2023		
Age group	Number of terminations	Turnover rate(%)
Below 30 years old	780	28.11
Between 30 and 50 years old	644	10.22
Above 50 years old	44	6.35
<b>Total</b>	<b>1,468</b>	<b>14.60</b>

**Total number of Crewmembers who left the company and turnover rate, by gender**

2023		
Gender	Number of terminations	Turnover rate(%)
Men	877	14.41
Women	591	14.89
<b>Total</b>	<b>1,468</b>	<b>14.60</b>

**Total number of Crewmembers who left the company and turnover rate, by region**

2023		
Region	Number of terminations	Turnover rate(%)
North	39	14.65
Northeast	131	18.62
Midwest	50	17.86
Southeast	1,172	14.15
South	76	11.72
International	0	13.79
<b>Total</b>	<b>1,468</b>	<b>14.60</b>

**Maternity/Paternity leave**

2023	
Total number of Crewmembers eligible for maternity/paternity leave, classified by gender	
Men	9,516
Women	6,494

Total number of Crewmembers who took maternity/paternity leave, classified by gender	
Men	192
Women	223

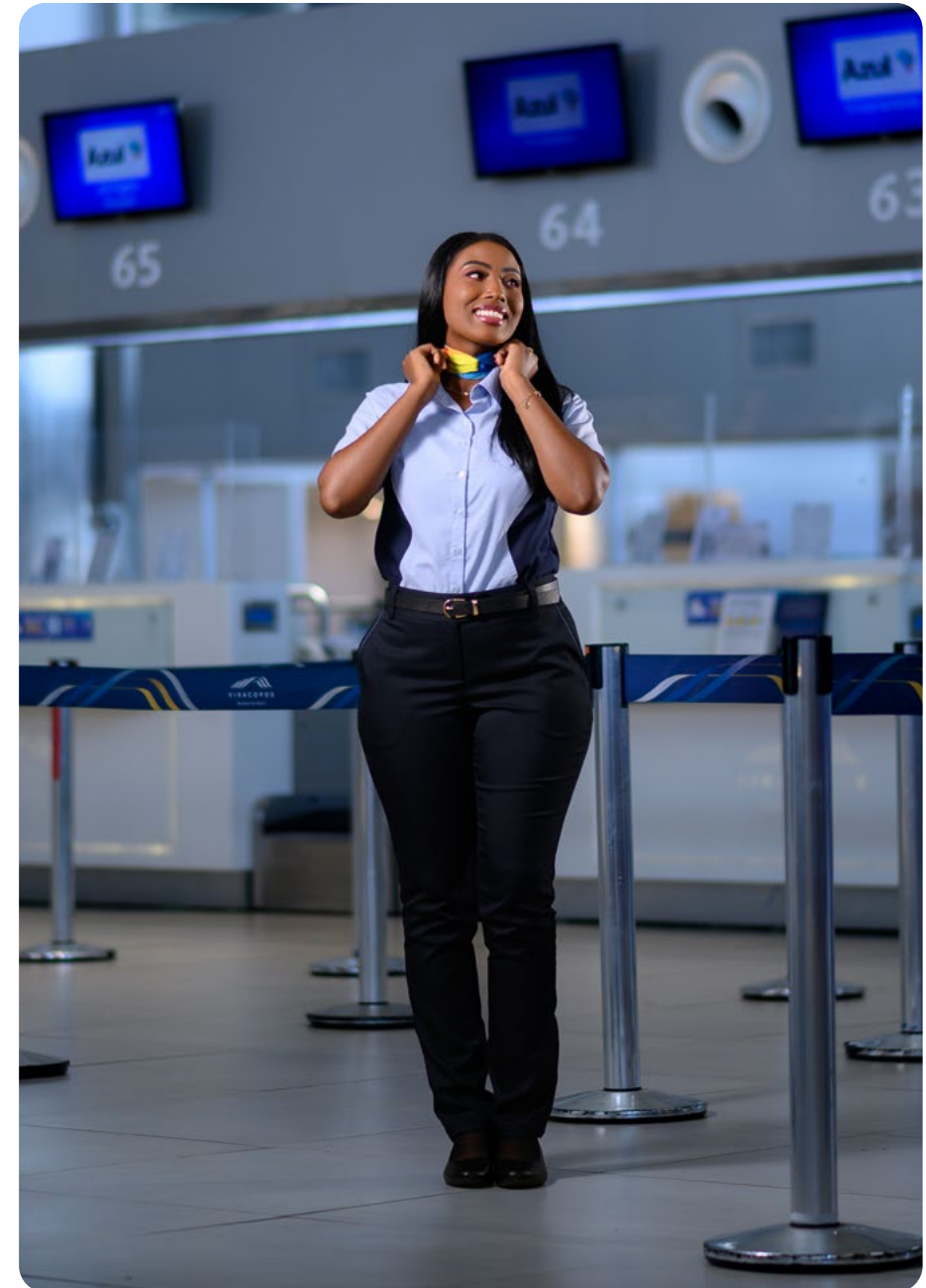
Total number of Crewmembers who returned to work after the end of maternity/paternity leave, classified by gender	
Men	193
Women	248

Total number of Crewmembers who returned to work after the end of maternity/paternity leave and remained employed twelve months after their return to work, classified by gender	
Men	181
Women	238

Return rate	
Men	99.48
Women	99.6

Retention rate	
Men	100
Women	99.58

Note: For the information above, we used data from December 31, 2023, with the list of employees hired and terminated during the year 2023. We considered all Crewmembers with employment contracts (CLT and International) who worked in any business unit of the company. No significant fluctuations were observed during the period.



## Satisfaction and Engagement survey

Our Satisfaction and Engagement Survey, an annual practice that involves carefully listening to our Crewmembers to assess both their satisfaction and level of engagement, achieved participation and positive evaluation rates never seen before.

This survey addresses crucial aspects such as purpose, autonomy, growth, impact, and connection. All Crewmembers with more than three months of experience are encouraged to participate, and the results obtained provide valuable insights to shape our future strategies.

In 2023,

# 87%

of participating Crewmembers indicated they were happy to be with us (favorability).

### Happier Airport

The program, initially known as VCP Mais Feliz, was launched at Viracopos, Campinas, and is our most simple initiative. It revolves around a single question: "What can we do to make you happier?"

Responses are managed by a committee comprising 50% frontline and 50% Azul leadership. During monthly meetings, this Committee analyzes the feedback and translates it into actionable steps.

The goal is to expand the program to the entire company by 2024.

### Recognitions

At Azul, we have projects to recognize and celebrate the work of our teams.

**Dia Azul (Azul Day)** - recognition of teams that exemplify our culture and values. In 2023, 126 recognitions were granted.

**Boas Ideias Decolam de Todos Nós (Great Ideas Takeoff from All of Us)** - an annual award to recognize our Crewmembers who had ideas implemented by the different divisions, bringing improvements to specific areas or to the entire company. In 2023, we received 128 submissions, of which 3 were selected as Excellent Ideas. For more details about this program, please refer to the Environment chapter of this report.

**Internal Growth** - promotions based on performance, dedication, and involvement of Crewmembers. In 2023, there were 2,298 promotions.

**Você é 10 (You Are 10)** - Crewmembers who complete 10 years at Azul receive a customized model airplane with their name, along with a letter signed by the CEO. In 2023, 639 models were distributed.

### Agentes da Cultura Azul (Azul's Culture Agents)

- aimed at strengthening behaviors aligned with Azul's Culture and making this the best job of all our Crewmembers' lives. Culture Agents spread good practices and engage in Azul's actions and programs at their local bases. Today, the program has over 200 Culture Agents spread throughout Brazil.





## Development of our people

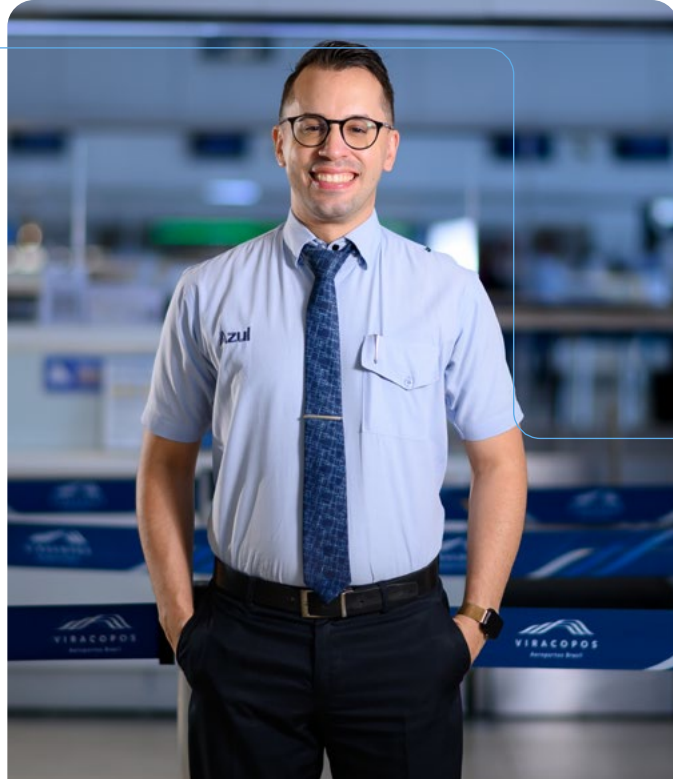
For us, the growth and development of our Crewmembers are essential. We value each individual's personality and are committed to enhancing the skills of everyone. Every year, we develop new training and development programs that are tailored to market demands and current regulations.

At UniAzul, our corporate university, we offer a variety of courses and development programs for Azul Crewmembers.

### Mentorship program Accelerate Azul

The mentorship program is an initiative aimed at providing guidance and exchange of experiences through meetings between two individuals from diverse areas to develop their skills, knowledge, and careers.

This program aims not only at developing specific job-related skills but also guides the professional and personal growth of Crewmembers. In addition to professional competencies, mentorship covers personal aspects such as enhancing communication skills, conflict resolution, and time management.



*Over the course of 6 months, I had the opportunity to explore important topics and skills for my professional development with my mentor. We discussed the importance of integrating and connecting with other areas, time management, and how to be a better leader and take care of people, among other subjects. It was great to take the time to look at “professional Tamiris.”*

*Every meeting, we had educational materials that provided guidance and tools, much the same as a development roadmap.*

*Everything I learned, I was able to apply in my daily life and share with my team through insights in our meetings and gatherings. I concluded the program with a sense of accomplishment and much gratitude for my mentor, Diogo, who dedicated his time to sharing experiences and insights. To everyone who contributed to the construction and maintenance of this project, especially Pâmella [Campos Dias, from the Human and Organizational Development area], who provided all the support and follow-up. THANK YOU VERY MUCH!*

#### **TAMIRIS GARCIA**

Customer Experience Coordinator,  
mentored by Diogo Youssef,  
Engineering and Fuel Manager.





*The program came at an important time for me when I had taken on the role of Operational Safety Manager at Azul Conecta. As a leadership position that interacts with all sectors, it was crucial to have the company's support.*

*I thank Azul for the opportunity to participate in the first class of the Acelera program (mentorship) and would like to highlight that the selection of partners was spot-on, as my mentor's characteristics complemented mine in a very constructive way. I thank my mentor Anderson for all the effort and dedication he showed throughout all phases of the program – not only during our meetings, but also in the support he provided when I had doubts or requested an opinion regarding a specific work situation.*

*Acelera was of utmost importance for me to get to know myself better and understand where the main improvement opportunities were within my profile, to become a more empathetic leader and more aligned with the goal of being a company more focused on people.*

**RODRIGO SUARDI,**  
Operational Safety Manager,  
mentored by Anderson da Silva Serafim,  
Commercial Manager



**The program aims not only at developing specific job-related skills but also guides the professional and personal growth of Crewmembers**





# Skills enhancement

GRI 404-2

The company implements skill enhancement programs for its Crewmembers and offers a variety of internal training courses. These include:

- Techniques for Operations
- Compliance and Ethics
- Diversity and Inclusion
- Workplace Safety
- Technology and Internal Tools
- Leadership Skills
- Data Security
- Communication Skills

It also offers financial support with external training courses and postgraduate programs.



For us, the growth and development of our Crewmembers are essential. We value each individual personality and are committed to enhancing their skills

## Average hours of Crewmembers' training by gender GRI 404-1

	2023
	Data
Men	89.11
Women	65.01
Not declared	3

## Average hours of Crewmembers' training per job category GRI 404-3

	2022	2023
	Data	Data
Director	29.50	44.04
General/Senior manager	27.40	19.03
Manager	56.80	39.98
Airport manager	0	0
Specialist/Supervisor/Coordinator	91.60	64.14
Senior analyst	9.50	17.71
Mid-level analyst	9.80	20.66
Junior analyst	9.50	20.83
Assisten	61.80	37.33
Operational	0	0
Call center	0	0
Cargo	0	0
Airport	0	0
Maintenance	0	0
Flight attendant	106.90	97.07
Pilots	154.30	137.17

## Employees who receive performance evaluations, by functional category GRI 404-1

	2023		
	Men	Women	Total
Director	100%	100%	100%
Geral/Senior manager	97.3%	91.67%	95.92%
Manager	96.74%	100%	97.79%
Airport manager	97.44%	96.43%	97.01%
Specialist/Supervisor/Coordinator	90.12%	92%	90.77%
Senior analyst	85.03%	86.47%	85.71%
Mid-level analyst	88.24%	89.47%	88.75%
Junior analyst	84.47%	87.37%	85.89%
Assistant	74.86%	74.1%	74.41%
Operational	83.33%	79.45%	82.69%
Call center	69.94%	59.08%	62.88%
Cargo	81.68%	83.06%	82.01%
Airport	80.54%	75.7%	77.98%
Maintenance	86.8%	77.06%	86.34%
Flight Attendant	2.67%	0.52%	1.09%
Pilot	1.35%	5.83%	1.55%
<b>Total</b>	<b>57.01%</b>	<b>45.32%</b>	<b>52.22%</b>



## Diversity, equity and inclusion

At Azul, we dedicate significant efforts to foster an environment that celebrates inclusion, equity, and diversity. These values represent goals in which we constantly seek to evolve. Our vision encompasses, for example, the hiring and the promotion of female leadership and the integration of minorities in all areas of the company. As a national company operating in over 160 cities across the country, Azul naturally reflects the diversity of Brazil.

We work tirelessly to create an environment where every individual feels valued, respected, and an integral part of our community, thereby contributing to a vibrant and sustainable organizational culture.

In 2023, we established a Diversity Policy that reaffirms our commitment to diversity, equity, and inclusion. Regardless of ethnicity, color, gender, age, marital status, sexual orientation, religion, physical condition, or socioeconomic status. We also debuted on IDiversa, B3's diversity index, which highlights the leading publicly traded companies with plans to increase gender and racial diversity in their workforce.

Our Diversity, Equity, Inclusion and Belonging program, known as Respeito Azul (Azul Respect), underwent a significant transformation. We implemented a comprehensive review of our internal systems and processes, provided specialized training to over 100 leaders, and launched a new Leadership and Crewmembers Development plan. We carry out various initiatives, from Mulheres Aviadoras (Women Aviators) meetings to Career Fairs in the city of Campinas, involving over 150 women from the aviation sector. We also monitor the entire Journey of the Programa Respeito (Respect Program), including our hiring processes, governance, strategy, and communication methods.

We create opportunities for conversations with our "Café Entre Elas," an initiative where our women come together over coffee to discuss health and career topics. Over 700 women have participated from different areas and positions, from maintenance technicians to women in our IT Departments. This program is based on six essential pillars of action:

### 1. SOCIOECONOMIC

Including young people in social vulnerability, providing opportunities for employment and education development through and for work.

### 2. PEOPLE WITH DISABILITIES

Hiring and including people with disabilities, recognizing their potential and providing conditions for professional development by offering them important roles and supporting social projects focused on this group.

### 3. GENDER

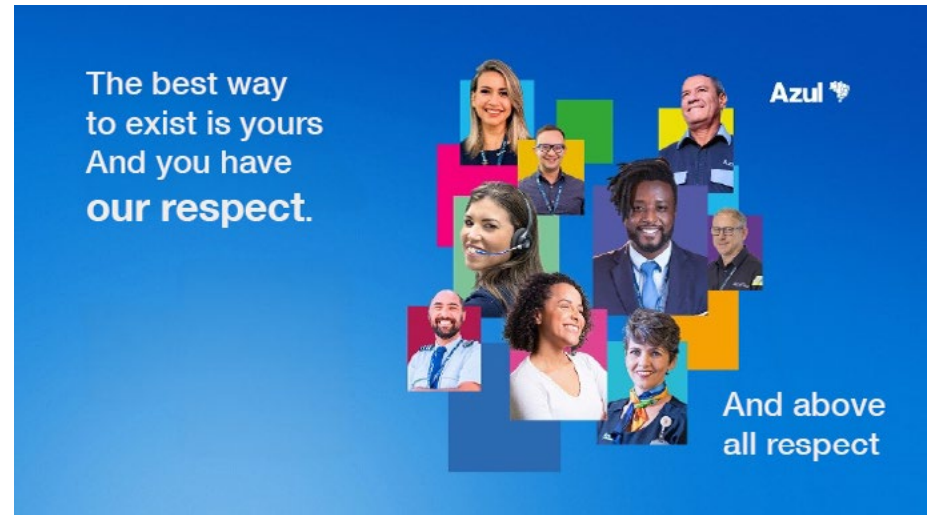
Encourage gender equity through initiatives that empower women and ensure equal conditions and opportunity.

### 4. RACE AND ETHNICITY

Promote the inclusion and empowerment of black, indigenous, quilombola, and other underrepresented groups, increasing their overall representation and in leadership positions.

### 5. GENERATION

Including people of all generations, offering employment and development opportunities for all ages, especially Crewmembers over 60 years old.



### 6. GENDER AND SEXUAL DIVERSITY

Foster an inclusive workplace without discrimination based on sexual orientation and gender identity, ensuring equal rights and opportunities for all.

The social programs of Azul play a significant role in fostering inclusion and supporting underrepresented groups. Our goal is to implement them as genuine affirmative actions, seeking not only to mitigate inequalities but also to create opportunities and promote the development of participants.

### Azul Against Domestic Violence

In addition to social impact programs for young people in situations of vulnerability and underrepresentation, we continue to strengthen our journey against domestic violence with the “Azul Against Domestic Violence” program, where our Crewmembers can prevent and identify a possible aggressor and seek support in cases of violence. In 2023, we had over 700 women impacted by conversation circles across Brazil.

### Melhor Aprendiz (apprentice program)

In 2023, our Youth Employability Program (Melhor Aprendiz) was created, designed to empower young people in situations of social vulnerability. This initiative aims to have a positive impact not only on these individuals but also on their families, by focusing on personal, socioeconomic, and professional development. We offer employment opportunities and promote educational development focused on the professional environment. In 2023, we integrated more than 100 young people into our Azul Crewmember team.

### Angel Azul (social service)

Our Anjo Azul Program offers confidential family support for Crewmembers and their relatives. The aim is to positively impact and transform their lives by addressing health, quality of life, and psychosocial well-being concerns. In 2023, we assisted 2,028 Crewmembers, resulting in over 4,600 actions and referrals.

### Connection Project

We had 281 Crewmembers signed up for online mentoring, with 163 participants in the last year. Through the program, our Crewmembers serve as mentors for young and adult individuals, whether they have disabilities or not, aiming to contribute to the educational and professional development of the mentees. Participants have the opportunity to connect with experienced Crewmembers and together embark on a journey to explore interests, overcome challenges, identify potentials, and develop new skills. Additionally, they can expand their network and explore new opportunities.



*“We are a company focused on people, and therefore, we always take very good care of our Crewmembers. To be a more inclusive company, a company that is always looking out for people, and always looking at how we can better respect each other”*

**John Rodgerson,  
CEO**

## Social Scholarship Workshop of Opportunities

Azul, in partnership with the Aviation School EDAPA, offers scholarships for the Aircraft Maintenance Technician Course, providing an opportunity for individuals to embark on aviation, learn a new profession, and build their careers within an airline company.

We offer access to individuals in vulnerable social situations who aspire to professional growth and meet the program's requirements. They can enroll in the Aircraft Maintenance Technician course, which spans approximately 36 months and consists of four modules, each lasting around eight months.

Throughout the course, scholarship recipients have the opportunity to participate in a selection process and compete for a Technical Internship position at Azul, where they receive compensation. This connects training opportunities with employability. In 2023, we had 38 scholarship recipients. Of these, 16 are already working at Azul in maintenance-related activities.

## PNAE Customer Journey Customers with special assistance needs

Azul's mission is to provide our Customers with the best flight of their lives, which means meeting individual needs while always upholding our values of Respect, Consideration, and all other core principles.

Customers with Special Assistance Needs (PNAE) require extra attention from our team, whether it is at the customer service center, during check-in, boarding, during the flight, or even upon deplaning. With this in mind, we created the PNAE Customer Journey, and conducted over 6,000 training sessions throughout 2023 with our Crewmembers on how to provide the best experience for this audience.



We work tirelessly to create an environment where each individual feels valued, respected, and an integral part of our community, thus contributing to a vibrant and sustainable organizational culture.



Workers covered by the health and safety management system

2023

	Crewmembers	Third-party employees (non-Crewmembers)
Total number of individuals	15,898	222
Number of individuals covered by the system	15,898	222
Percentage of individuals covered by the system	100	100
Number of individuals covered by a system that has been internally audited	15,898	222
Percentage of individuals covered by the system that has been internally audited	100	100

Note: Data about our Crewmembers. Does not include non-Crewmembers workers. There is no independent third-party certification or internal audit, nor certification by an external party.



## Health and Safety Committees

Composed of Leaders and Crewmembers, they are responsible for:

- Conducting periodic inspections in the workplace;
- Monitoring the process of identifying hazards and risks;
- Implementing measures to prevent accidents and work-related illnesses, such as the Accident Prevention Action Plan (PAPA) and the Program for the Prevention of Environmental Risks (PPRA);
- Providing general recommendations to the employer on the subject, such as halting machinery or operations when there is an imminent risk of an accident.

Azul also conducts hazard and risk assessments for activities carried out by its Crewmembers and third-parties engaged in remote work, outdoor environments, customer facilities, supplier facilities, business travel, or at facilities controlled by other Business Partners. The main hazards include:

- Falls
- Musculoskeletal injuries
- Vehicle accidents
- Falling objects
- Exposure to chemicals
- Exposure to biological agents
- Burns
- Equipment accidents
- Injuries from electrical shock
- Trauma injuries
- Height-related accidents
- Fire and explosion
- Injuries from vibration and noise
- Exposure to radiation

To mitigate these hazards, Azul adopts actions such as the use of Personal Protective Equipment (PPE) and Collective Protective Equipment (CPE), training and capacity building, safety signage, occupational safety programs, risk analysis, hazardous substance control, preventive maintenance, compliance monitoring, among others.



## Health care or insurance GRI 403-6

To ensure the health of Crewmembers, the company develops programs on specific topics and offers complementary health plans, reimbursement for medical expenses, access to online health resources, among other benefits. All of these include:

- Smoking control and prevention program
- Weight control and nutrition program
- Exercise and physical activities program
- Vaccination campaigns
- Mental health and emotional well-being program
- Health screening
- Stress management program

- Promotion of healthy sleep habits
- Chronic disease prevention programs
- Health education
- Cancer prevention campaigns
- Alcohol and drug consumption control program
- Actions for pregnancy

These services are also available to the families of Crewmembers.

Important information about health services can be accessed through internal communication, workshops, training sessions, awareness campaigns, printed materials, corporate email, intranet channels, apps, and online platforms.



## Work-related illnesses GRI 403-10

There were no fatalities or cases of mandatory reportable work-related illnesses in 2023. The primary types of work-related illnesses mapped were:

- Repetitive strain injuries (RSI) / work-related musculoskeletal disorders (WRMSDs)
- Pneumonias and respiratory diseases
- Noise-induced hearing loss (NIHL)
- Intoxications and poisonings
- Skin diseases
- Occupational stress
- Infectious diseases
- Occupational cancers
- Occupational cardiovascular diseases
- Neuropsychological disorders
- Occupational diseases related to radiation
- Mental health problems
- Accidents

The main hazards that can result in work-related illnesses are:

- Chemical agents
- Biological agents
- Physical agents
- Ergonomic agents
- Dust and smoke agents
- Psychosocial agents
- Vibration agents
- Temperature and humidity agents
- Radiation agents
- Biomechanical risk agents
- Fall risk agents
- Exposure to vapors and toxic gasses

# Our Customers

GRI 3-3 – Experiência dos clientes



**We have close relationships with our Customers as one of our principle initiatives. We are a company of people, made for people. This premise guides robust, transparent, and accessible communication through various channels**

We have close relationships with our Customers as one of our principle initiatives. We are a company of people, made for people. This premise guides robust, transparent, and accessible communication through various channels, ensuring continuous improvements at every stage of our Customers journey. In 2023, we established a direct channel for dialogue with our Customers by introducing the Grievance Channel. This initiative reinforces our commitment in providing agile and effective solutions to any Customer dissatisfaction.

The Net Promoter Score (NPS) is one of the benchmarks we use to measure Customer satisfaction. Through this methodology, we explore improvement opportunities, identify areas already strengthened, and outline future benchmarks to be achieved. In 2023, we reached the milestone of 54.9 points.

Also in 2023, we received the Experience Awards 2023 in the air mobility category. The award, which recognizes and certifies companies with the best NPS in Brazil in their segments, is the most popular satisfaction metric in the market, used to determine which companies stand out when it comes to delivering quality experiences to their Customers.







**With ethics and transparency as pillars, Customer Privacy is fully connected to Azul's values. We ensure, through internal policies, that the personal data of Customers, Crewmembers, and external Partners are protected and secure**



## Customer Privacy

With ethics and transparency as pillars, Customer Privacy is fully connected to Azul's values. We ensure, through internal policies, that the personal data of Customers, Crewmembers, and external Partners are protected and secure.

We rigorously safeguard the personal data to which we have access, in alignment with our Privacy Policy, as well as the General Data Protection Law (LGPD), and we use ISO 27.001 and ISO 27.701 as guides.



## Azul Experience

Azul is committed to ensuring that its Customers have the utmost comfort at every point of their journey with us. We are dedicated to providing high-quality service and offerings, ensuring an exceptional experience for Customers from the moment of ticket purchase to arrival at the final destination. This experience is present on every flight of the airline, providing a wide variety of in-flight entertainment, including live tv and wifi.

**In-flight Cinema :** For movie lovers, Azul offers a constantly updated selection of films, ensuring that all passengers find something of interest to enjoy during the flight. In addition to movies and attractions, Azul provides over 40 live channels and up to nine channels with recorded programming.

**Vegan snack:** In 2023, in line with the profile of many of our travelers, Azul launched its vegan snack, thus diversifying food options and demonstrating commitment to inclusion and the needs of a variety of Customers.

**On-board Meals :** In 2023, we also introduced the option of pre-selecting meals in the business class on international flights. We are the first Brazilian airline to offer this service. Customers can make their choices through the company's app up to seven days before the flight and up to 48 hours before departure.



# Going above and beyond

Our goal is to leave a trail of development, ethics, transparency, and partnerships across the skies we fly. Beyond just moving people and goods, we are committed to fostering growth, ethics, transparency, and partnerships. Our mission extends to all the places we reach, ensuring development and connectivity across more than 160 destinations where we land and take off our aircraft.



# Social commitment

Azul, concerned with the social development of the country and operating throughout the Brazilian territory, could not overlook making a difference in the lives of the communities where it is present.

Acting in a socially responsible manner is in line with the company's essence, reinforcing our value of Consideration. We serve by bridging distances, fulfilling dreams, connecting people, and transforming lives.

At Azul, we value social commitment as one of our core principles. We guide our actions, both individual and collective, towards the well-being and justice in society. With a dedicated team of volunteers, we actively contribute to social development and progress, promoting values like equality, solidarity, and responsibility. Our Corporate Social Responsibility initiatives encompass environmental concerns, including efforts to reduce carbon emissions and promote sustainable resource usage. Additionally, we prioritize initiatives aimed at enhancing the well-being of our Crewmembers, local communities, and society as a whole.

As a Brazilian company operating in approximately 160 cities across the country, Azul plays a crucial role in connecting different regions of Brazil. Therefore, we seek to support projects that cover all geographical areas, giving preference to activities that promote connections and integration among people from diverse locations.



**We seek to support projects that encompass all geographic areas, prioritizing activities that promote connections and integration among people from different locations**

## Comprehensive social contribution

We play a significant role in society through a wide range of activities, ranging from volunteer engagement to assisting communities affected by natural disasters and facilitating the transportation of organs.





## HUMANITARIAN FLIGHTS IN 2023

**307 tons** of vaccines transported

**65 tons** of radioactive material (oncological medications)

**24 tons** of essential items for humanitarian aid



## GOALS ACHIEVED IN 2023

**6,179 active** volunteers

**53,373 people** impacted by volunteer actions carried out by our Crewmembers

**1606 organs** for transplant transported, totaling more than 4,000 since the beginning of this initiative

The company's biggest social cause, with the slogan **“Quem se cuida, voa mais longe”** (Self-care extends your journey) includes actions that enhance and reinforce the importance of preventive screenings and early diagnosis, as well as projects that support women undergoing breast cancer treatment.



## SOME CAMPAIGN RESULTS INCLUDE

Impact on **5.7 million people**. Donation of 200,000 reais worth of airline tickets to the **Hospital de Amor**.

We also support the “À Flor da Pele” Project at the Hélio Angotti Hospital in Uberaba, Minas Gerais, transporting doctors who performed breast reconstruction surgeries on 45 women, in addition to donating over 800 hair scarves to the Hélio Angotti Hospital.

In partnership with the Hospital de Amor, an oncology center of excellence, we created the **“Conexão Azul Rosa”** project, which transports women undergoing breast cancer treatment who need to fly at some stage of their treatment. Since the launch of the project, 229 women have benefited, with 71 flying with their companions in 2023.

Other numbers include: over **9,000 Crewmembers** wearing pink in support of the campaign, and more than 5,000 Customers impacted by the testimonials on board the “Vitoriosas da Azul,” Crewmembers who have had breast cancer.



## Volunteer program

The Azul Volunteer Program began in 2014 and reached a remarkable milestone in 2023, with over six thousand volunteers registered in more than 100 cities across the country. These volunteers work locally, collaborating with partner organizations and participating in any initiative promoted by the company, including missions, campaigns, social projects, and humanitarian assistance. There were over 700 actions throughout the year, impacting and bringing benefits to over 50,000 people.



### GROWING TOGETHER

In 2023, the Volunteer Program had **6,179 registered volunteers**, who carried out **763 actions**, totaling over **42,000 hours of service** and benefiting **53,373 people**.

# Support for social projects

GRI 203-1

Azul supports social projects through airfare donations and providing cargo transportation. These projects aim to drive local development and provide opportunities for engagement for our Volunteers.

In 2023, we carried out over 700 actions across various regions of the country, supporting various civil society organizations conducted by Volunteers in different Bases and benefiting over 50,000 people.

Throughout 2023, we supported several Donation Campaigns, including those for school supplies, winter clothing, food, and Christmas. Additionally, we mobilized our Volunteers for Volunteer Week, which took place in August, aiming to engage our team of Azul Volunteers in actions across the country. This year, we collected 45,835 items in the school supplies and winter clothing campaigns, and during Volunteer Week, we gathered approximately 12 tons of food, benefiting 309 children who received Christmas kits assembled by Azul Volunteers in the Christmas Campaign. We also have the Transformação Project, through which we trained 36 low-income youth in English and office software skills.



## TAKING CARE OF THOSE IN NEED

This year, we supported various regions, such as Recife, Rio Grande do Sul, and the North Coast of São Paulo, areas that were impacted throughout 2023 by heavy rains. We mobilized our Volunteers from various bases and managed to collect more than 4,400 items such as clothes, shoes, and hygiene products, and 24 tons of non-perishable food in Humanitarian Aid actions.



As a way to mobilize our Volunteers through the examples set by managers, Directors and Vice-Presidents actions were carried out, so that the example comes from leadership. Over 600 Volunteers participated in initiatives such as toy donations, painting, and revitalization of two institutions: Lar Jesus entre as Crianças, located in Osasco, near Azul's headquarters, which serves 130 children and adolescents in situations of social vulnerability, and donation of mats for games for over 100 children and adolescents from the Há Esperança Project in Campinas, which also serves children from the Oziel community in Campinas. We also made donations to the Patas Que Voam Project, which works with pets, in addition to donating toys and painting and revitalizing these institutions.

This year, Azul won the Aplaude Corporate Volunteerism Award with the Via Conexão Project, which provides mentoring for young people in situations of social vulnerability.

Our volunteers had the opportunity to engage in 15 Missions with Social Partners in 11 states of Brazil, collaborating with organizations such as Litro de Luz, Operação Sorriso, Tapera das Artes, and Teto Brazil. These missions carry out social transformation actions that benefit people in situations of social vulnerability in various regions of the country.

Litro de Luz is an international NGO that implements sustainable lighting solutions in underserved communities,

using plastic bottles, solar panels, and LED lamps. Tapera das Artes, located in Aquiraz, Ceará, is dedicated to the sociocultural development of children and teenagers through education and cultural training. Teto Brasil works in precarious communities, building emergency housing and community spaces, while Operação Sorriso performs reparative surgeries on children and adults with cleft lip and palate.

Azul supports these initiatives by providing flights and transportation of materials, enabling volunteers to actively participate in missions reinforcing our value of Consideration. Additionally, Azul promotes the appreciation of volunteer work among its Crewmembers, encouraging them to contribute to projects aimed at building a morer country, demonstrating a continuous commitment to social responsibility and sustainable development.

Azul also launched "Flying High" (Voando Alto), an inspiring and uplifting project that connects 654 children and young people receiving cancer treatment with 139 Pilots and Flight Attendants. They share their experiences by discussing the daily routines of these professionals and fascinating facts about aviation during monthly face-to-face meetings at the following hospitals: Hospital do Amor in Barretos (SP), Hospital da Baleia in Belo Horizonte (MG), and Hospital Boldrini in Campinas (SP).



## Association Fly

The Associação Voar, a nonprofit organization independent of Azul, is primarily supported by donations from companies and aviation professionals. Its main purpose is to provide training opportunities for those who do not have resources to invest in technical education and aspire to careers in the commercial aviation market. In 2023, the association recorded a significant increase of 125% in the number of Friends donors totaling 2405. Among these, 100% are Crewmembers who contribute regularly.



Azul supports these initiatives by providing flights and transportation of materials, enabling volunteers to actively participate in missions reinforcing our value of Consideration



# GRI and SASB indexes

# GRI and SASB indexes

<b>Declaration of use</b>	Azul reported in compliance with GRI Standards for the period from January 1st to December 31st, 2023
<b>GRI 1 used</b>	GRI 1: Fundamentals 2021

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
<b>GENERAL CONTENTS</b>						
GRI 2: General Contents 2021	2-1 Organization details	The legal name of the organization is Azul S.A., known as Azul, a for-profit company, of Publicly Held Corporation, with headquarters at Av. Marcos Penteadado de Ulhoa Rodrigues, 939, Edif. Castelo Branco Office Park, Torre Jatobá, 9th floor, Alphaville Industrial - Barueri / SP, ZIP Code 06460-040. It operates in Brazil, the United States, Portugal, Lisbon, Uruguay, and Curaçao. More information at: <a href="https://api.mziq.com/mzfilemanager/v2/d/ed78542a-4e01-429a-8926-03d69ccfa307/74434b23-b61c-2670-96c2-33278dfe8f56?origin=1">https://api.mziq.com/mzfilemanager/v2/d/ed78542a-4e01-429a-8926-03d69ccfa307/74434b23-b61c-2670-96c2-33278dfe8f56?origin=1</a>				
	2-2 Entities included in the organization's sustainability report	The subsidiary entities included in this report and in our financial report are Azul Linhas Aéreas Brasileiras S.A. and IntelAzul S.A. (formerly "Tudo Azul S.A."). The information has not been modified due to minority interests, as we only have majority stakes.				
	2-3 Reporting period, frequency and point of contact	5				
	2-4 Information reformulations	There was no restatement of information in this report.				
	2-5 External check	114				



Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 2: General Contents 2021	2-6 Activities, value chain and other business relationships	5,14,15 Our supply chain is composed of fuel suppliers, aircraft leasing and maintenance reserves, aeronautical, airport fees, IT, handling, third-party collaborators, logistics, hospitality, catering, legal, travel agency, marketing, onboard service, insurance, security, facilities, Tudo Azul, manuals, packaging, consulting, cargo, maintenance, uniforms, printed materials and graphics, construction, training, office, contingency, sustainability, luggage and protective equipment, among others, totaling 5,481 suppliers in 2023, equivalent to R\$ 15.4 billion in contracts. On our part, we offer services to various audiences, including distributors, retailers, end consumers, logistic partners, suppliers of our Customers, subcontractors, outsourced companies, marketing and advertising partners, and banking and financial institutions, as well as international Customers and service clients.				
	2-7 Employees	76, 77				8, 10
	2-8 Workers who are not employees	Azul employs the work of 112 interns, who perform generalist and technical functions. We do not control the number of outsourced service providers, therefore these professionals are not included in the reporting of this indicator.				8
	2-9 Governance structure and its composition	34				
	2-10 Appointment and selection to the highest governance body	35				8, 10
	2-11 President of the highest governance body	The President of the highest governance body does not hold an executive position within the organization itself.				8
	2-12 Role played by the highest governance body in supervising impact management	34, 37				16

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 2: General Contents 2021	2-13 Delegation of responsibility for impact management	29 The highest governance body does not delegate responsibility for managing the organization's impacts. The Board of Directors, supported by the company's ESG committee, is responsible for managing the organization's impacts without delegating them.				
	2-14 Role played by the highest governance body in sustainability reporting	The highest governance body is responsible for reviewing and approving the information reported in the organization's reports through analysis by the sustainability reporting committee, analysis by the highest governance body, approval and comments, communication and disclosure, evaluation of internal controls, feedback, and continuous improvements. The highest governance body is responsible for analyzing and approving the organization's material topics and does so through analysis by the sustainability reporting committee, analysis by the highest governance body, approval and comments, communication and disclosure, evaluation of internal controls, feedback, and continuous improvements.				
	2-15 Conflicts of interest	The processes to prevent and mitigate conflicts of interest are handled internally through clear policies and procedures, ethics committee or review, isolation of the people or parties related to the conflicts of interest, regular review of policies and procedures, organizational culture, legal compliance, education and training, and transparency through clear records of all decisions.				16
	2-16 Communicating Critical Concerns	Communication to the highest governance body is made through regular reports, presentations, formal board meetings, governance committees, internal and external audits, risk and compliance reports, strategic analyses, business plans, legal and regulatory reviews, sustainability reports, and written notifications, addressing issues such as sustainability and human rights.				-

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 2: General Contents 2021	2-17 Collective knowledge of the highest governance body	29 The measures adopted to expand the theme of sustainable development in the highest governance body of the organization occur through specialized committees and working groups.				
	2-18 Assessing the performance of the highest governance body	The company does not conduct a formal performance evaluation of the Board of Directors or its committees.				
	2-19 Compensation Policies	The leadership compensation policy, composed of fixed and variable components, aims to align with market standards, promoting engagement and commitment to corporate strategies and goals. Additional details are available in the Remuneration Committee's Bylaws, Compensation Policy, and Reference Form. The compensation policy seeks to ensure the attraction and retention of talent, motivating the development of competencies and aligning with Azul's strategic objectives. The fixed part is determined by a balanced salary table, while the variable is linked to the achievement of specific goals defined in our Strategic Planning.				
	2-20 Process for determining remuneration	37				
	2-21 Proportion of total annual compensation	-	Indicator	Confidentiality	For confidentiality and data protection reasons, we do not disclose figures that may expose the remuneration of our Crew Members.	
	2-22 Declaration on sustainable development strategy	9				
	2-23 Policy Commitments	40				16

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 2: General Contents 2021	2-24 Incorporation of policy commitments	29 The CEO oversees the incorporation of commitments into the organization, delegating responsibilities at different levels. This includes setting clear goals, identifying hierarchies, assigning appropriate responsibilities, and establishing authority. Effective communication, monitoring, collaboration, and performance recognition are essential. The organization integrates commitments into its strategies, policies, and operations, with aligned goals, training, impact assessments, and transparent communication. In the relationship with Business Partners, careful selection, relevant contractual clauses, audits, training, incentives, problem-solving, and sustainability reporting are adopted.				
	2-25 Processes to repair negative impacts	40				
	2-26 Mechanisms for counseling and raising concerns	Confidential interviews are made available, conducted during on-site visits, as well as escalation processes that allow analysis at different hierarchical levels and specific mechanisms for reporting.				16
	2-27 Compliance with laws and regulations	The total number of significant fines for non-compliance with laws and regulations was five, considering the national regulatory cases where payment was made throughout 2023. There were no relevant non-monetary sanctions applied during the reporting period. The total value of fines for non-compliance with laws and regulations in 2023 amounted to R\$ 336,865.90 (the payment value corresponding to the five cases described, considering as significant those above R\$ 30,000.00). They are related to simple non-compliance with AVSEC regulations at the aeronautical regulatory body. There were no significant cases of non-compliance with laws and regulations during the reporting period nor significant fines in the last four years. By "significant" fines or penalties, we understand that the individual fine/penalty costs more than US\$ 10,000 (or equivalent when converted from local currency), including fines paid as part of settlements related to environmental or ecological issues.				

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 2: General Contents 2021	2-28 Participation in associations	42				
	2-29 Approach to stakeholder engagement	5, 42, 44				
	2-30 Collective bargaining agreements	The percentage of the total workforce covered by collective bargaining agreements is 100%.				8

**MATERIAL THEMES**

GRI 3: Material Themes 2021	3-1 Process of defining material themes	5				
	3-2 List of material themes	6				

**Climate Change Management**

GRI 3: Material Themes 2021	3-3 Management of material topics	53				-
GRI 201: Economic performance 2016	201-2 Financial implications and other risks and opportunities arising from climate change	The percentage of the total workforce covered by collective bargaining agreements is 100%.				8, 9
GRI 302: Energy 2016	302-1 Energy consumption within the organization	63				7, 8, 12, 13
GRI 302: Energy 2016	302-2 Energy consumption outside the organization	63				7, 8, 12, 13
GRI 302: Energy 2016	302-3 Energy intensity	63				7, 8, 12, 13
GRI 302: Energy 2016	302-4 Reduction in energy consumption	63				7, 8, 12, 13
GRI 302: Energy 2016	302-5 Reductions in energy requirements for products and services	63				7, 8, 12, 13
GRI 305: Emissions 2016	305-1 Direct emissions (Scope 1) of greenhouse gases (GHG)	53				3, 12, 13, 14, 15
GRI 305: Emissions 2016	305-2 Indirect emissions (Scope 2) of greenhouse gases (GHG) from energy acquisition	53				3, 12, 13, 14, 15
GRI 305: Emissions 2016	305-3 Other indirect emissions (Scope 3) of greenhouse gases (GHG)	53				3, 12, 13, 14, 15
GRI 305: Emissions 2016	305-4 Intensity of greenhouse gas (GHG) emissions	53, 55				13, 14, 15
GRI 305: Emissions 2016	305-5 Reduction of greenhouse gas (GHG) emissions	53				13, 14, 15

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 305: Emissions 2016	305-6 Emissions of substances that destroy the ozone layer (ODS)	54				3, 12
GRI 305: Emissions 2016	305-7 Emissions of NOX, SOX and other significant atmospheric emissions	53, 54				3, 12, 14, 15
SASB TR-AL-110a.1	Scope 1 Gross Global Emissions	53				
SASB TR-AL-110a.2	Discussion of long- and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets emissions and an analysis of performance against targets	In 2023, Azul developed its decarbonization roadmap with projections up to 2050 and is engaged in national discussions and movements about the future with SAF. It also became the first airline in Latin America to have its short and medium-term goals approved by the SBTi, the UN collegiate body. And we continue to actively renew our fleet to have aircraft with the best fuel efficiency.				
SASB TR-AL-110a.3	Total fuel consumed, percentage of alternative fuel and sustainable fuel	63				
DJSI - Stakeholder Engagement	Board oversight	42				
DJSI - Greenhouse Gas Emission	Role of governance	58				
DJSI - Greenhouse Gas Emission	Identification of risks and opportunities	58				
DJSI - Greenhouse Gas Emission	Impact of risks and opportunities	58				
DJSI - Greenhouse Gas Emission	Organizational strategic resilience	59				
DJSI - Greenhouse Gas Emission	Scenario analysis - transition above 2°C	58				
DJSI - Greenhouse Gas Emission	Scenario analysis - Transition 2°C or below 2°C	58				
DJSI - Greenhouse Gas Emission	Physical Scenario Analysis RCP 1.9 (or SSP1 1.9) and RCP 2.6 (or SSP1 2.6) for 2°C or below 2°C	58				

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
DJSI - Greenhouse Gas Emission	Physical scenario analysis - RCP 3.4 (or SSP4 3.4), RCP 4.5 (or SSP2 4.5), RCP 6.0 (or SSP4 6.0), RCP 7.0 (or SSP3 7.0) and RCP 8.5 (or SSP5 8.5) for above 2°C .	58				
DJSI - Greenhouse Gas Emission	General adaptation plan to physical climate risks	58				
DJSI - Greenhouse Gas Emission	Corporate-level emission reduction targets - Scope covered by the target - Scope 2 and 3 with base year and target year.	54, 58				
DJSI - Greenhouse Gas Emission	Fleet decarbonization	60				
DJSI - Greenhouse Gas Emission	GHG intensity	55, 63				
DJSI - Greenhouse Gas Emission	Load factor	26				
DJSI - Stakeholder Engagement	Specific fuel consumption for passenger transport	63				
<b>Eco-efficiency</b>						
GRI 3: Material Themes 2021	3-3 Management of material topics	70				
GRI 301: Materials 2016	301-1 Materials used, broken down by weight or volume	69, 70				8, 12
GRI 301: Materials 2016	301-2 Raw materials or recycled materials used	69				8, 12
GRI 301: Materials 2016	301-3 Products and their reused packaging	69 Through the recording of production and consumption, we accounted for 128.69 tons of reused products and their packaging, considering the total number of retreaded tires as part of the tire retreading program.				8, 12

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 303: Water and effluents 2018	303-1 Interaction with water as a shared resource	The organization draws water from public supply for various purposes, such as potable consumption, toilets, irrigation, cleaning, firefighting, dining areas, and kitchens. Disposal occurs at public sewage treatment stations and reuse. We identify environmental impacts, including excessive water consumption, water pollution, and greenhouse gas emissions. We use environmental impact assessment, continuous monitoring of water quality, and analysis of alternatives to reduce consumption. We recognize the risk of water contamination and adopt monitoring practices and detailed reporting to mitigate this impact.				6, 12
GRI 303: Water and effluents 2018	303-2 Management of impacts related to water disposal	The minimum standards for effluent disposal quality followed by the organization are linked to domestic effluents, which are directed to the airports' effluent collection networks, being treated by them or destined for public treatment. Industrial effluents undergo sampling considering the parameters required by local legislation (Pampulha and Hangar VCP). These standards are determined through the identification of applicable legislation and regulation (Decree 8.468/76, among others), in addition to the adoption of recognized				6
GRI 303: Water and effluents 2018	303-3 Water collection	71				6
GRI 303: Water and effluents 2018	303-4 Water disposal	71				6
GRI 303: Water and effluents 2018	303-5 Water consumption	71				6



Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 304: Biodiversity 2016	304-1 Operating units owned, leased or managed within or adjacent to environmental protection areas and areas of high biodiversity value located outside environmental protection areas	<p>The risk assessment for biodiversity in own operations and adjacent to own operations - whether upstream or downstream activities - within our biodiversity risk scope is conducted considering units located in or near environmental protection areas and regions of high biodiversity value. This includes units such as the Azul Conecta Hangar in Jundiá (SP), the Operational Base of Confins, in Confins (SP), and the Fernando de Noronha Base (PE), all situated within Environmental Protection Areas (APAs) with specific ecological attributes. The analysis takes into account the extent of these areas and the associated terrestrial ecosystems, as outlined by legislation at national, state, or municipal levels. The company has operational units within environmental protection areas of high biodiversity value, with surface area leased by the company, associated with terrestrial ecosystems, listed in national, state, or municipal legislation. They are:</p> <ul style="list-style-type: none"> <li>• Azul Conecta Hangar in Jundiá (SP), Area of the Jundiá APA (0.003362 km<sup>2</sup> in extent)</li> <li>• Operational Base of Confins (SP), Area of the Carste de Lagoa Santa APA (0.00361019 km<sup>2</sup> in extent)</li> <li>• Fernando de Noronha Base in Fernando de Noronha (PE), APA Archipelago Fernando de Noronha (0.0001794 km<sup>2</sup> in extent)</li> </ul>				6, 14, 15
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	65				6, 14, 15
GRI 304: Biodiversity 2016	304-3 Protected or restored habitats	The company does not have areas with these characteristics.				6, 14, 15
GRI 304: Biodiversity 2016	304-4 - Species included on the IUCN red list and on national conservation lists with habitats in areas affected by the organization's operations	Not applicable - we do not operate in areas with these characteristics.				14, 15

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	In our operations, we deal with the possibility of significant impacts related to chemicals and toxic substances, with potential risks of leaks and environmental emergencies, addressed through the Environmental Contingency Plan. Aircraft maintenance generates hazardous waste, controlled by the Hazardous Waste Management Plan (PGRS). In the hangars, we seek the best disposal of waste, conducting sorting and promoting selective collection.				3, 6, 11, 12
GRI 306: Waste 2020	306-2 Management of significant impacts related to waste	The company has implemented various measures to reduce waste production in its operations and value chain. Notable initiatives include tire retreading, elimination of wheel and brake painting, and the recovery of various components, significantly reducing disposal. The waste generated is managed by third parties, and to ensure compliance with contractual and legal obligations, we have adopted a process that includes periodic evaluation of the necessary documentation for disposal, definition of contractual and legal requirements, optional local audits, and the implementation of action plans for continuous improvements. Education and training of Crew Members are prioritized, with programs for new maintenance crew members, ensuring proper waste management according to established practices.				3, 6, 8, 11, 12
GRI 306: Waste 2020	306-3 Waste generated	66				3, 6, 11, 12
GRI 306: Waste 2020	306-4 Waste not intended for final disposal	66				3, 11, 12
GRI 306: Waste 2020	306-5 Waste intended for final disposal	66, 67				3, 6, 11, 12, 15
DJSI - Waste 2020	Commitments related to packaging and materials	66, 68, 69, 70				
DJSI - Material Themes	Financial information related to sustainability	Azul has quantitative information on the economic implications of sustainability-related issues, ecosystem services valuation, cost-benefit analysis, and socio-environmental aspects.				

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
<b>Health and wellness</b>						
GRI 3: Material Themes 2021	3-3 Management of material topics	73				
GRI 401: Employment 2016	401-1 New Hires and Employee Turnover	73, 77				4, 5, 8, 10
GRI 401: Employment 2016	401-2 Benefits offered to full-time employees that are not offered to temporary or part-time employees	The company offers the following benefits to all employees, from all operational units: life insurance, health plan, dental plan, disability assistance, invalidity assistance, private pension, and stock purchase plan.				3, 5, 8
GRI 401: Employment 2016	401-3 Maternity/paternity leave	73				5, 8
GRI 402: Labor relations 2016	402-1 Minimum notice period for operational changes	Azul has formal processes for communication and engagement with stakeholders, such as unions and employees, to notify them of significant operational changes, ensuring that contractual clauses are respected. Regarding the Crew's schedule, it is published by the 20th of the month prior to the schedule. Crew Members are guaranteed payment for the planned stages, and any operational issues are resolved with crew reserve hours, which are already considered in the operational schedule planning.				8
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity in governance bodies and employees	34, 73				5, 8
GRI 405: Diversity and equal opportunities 2016	405-2 Proportion between the base salary and remuneration received by women and those received by men	At Azul, regardless of gender, the base salaries and remunerations are the same across functional categories and in all operational units.				5, 8, 10
SASB TR-AL-310a.1	Percentage of active workforce covered under collective agreements	The percentage of the total workforce covered by collective bargaining agreements is 100%.				
SASB TR-AL-310a.2	Number of worker strikes and total idle days	There were no worker stoppages in 2023.				
<b>Experience two Clients</b>						
GRI 3: Material Themes 2021	3-3 Management of material topics	88				-

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 410: Safety practices 2016	410-1 Security personnel trained in human rights policies or procedures	We do not have training for security personnel.				16
GRI 416: Consumer health and safety 2016	416-1 Assessment of impacts on health and safety caused by categories of products and services	There are no product and service categories for which health and safety impacts are assessed for improvements. The regulatory agency already establishes the premises of the service provision and considers the impacts on health. The assessment of health and safety impacts is done globally considering all areas of the company, without necessarily dividing into product categories. This occurs in the risk map, Risk Management Program, and Occupational Health Medical Control Program (PCMSO).				-
GRI 416: Consumer health and safety 2016	416-2 Cases of non-compliance in relation to health and safety impacts caused by products and services	There were no cases of non-compliance with laws or voluntary codes. We meet all the requirements of the legislation regarding health and safety.				16
GRI 418: Customer privacy 2016	418-1 Substantiated complaints regarding violation of privacy and loss of customer data	There were no substantiated complaints regarding breaches of customer privacy and data loss.				16
<b>Ethics and Integrity</b>						
GRI 3: Material Themes 2021	3-3 Management of material topics	39				-
GRI 205: Combating corruption 2016	205-1 Operations assessed for risks related to corruption	40				16
GRI 205: Combating corruption 2016	205-2 Communication and training in anti-corruption policies and procedures	The company communicates and provides training on anti-corruption policies and procedures. There were six members of governance (which equates to 100%) informed and five of them trained (which equates to 83%) on anti-corruption policies and procedures. Regarding employees who were informed and trained on anti-corruption policies and procedures, 100% of them were informed and 62% trained (1,824 employees) throughout the country. It is worth noting that we apply training only for Crew Members and Business Partners (through the Business Partners Code of Conduct).				16

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 205: Combating corruption 2016	205-3 Confirmed cases of corruption and measures taken	There were no cases of corruption involving the organization and/or its employees during the reporting period.				16
GRI 206: Unfair competition 2016	206-1 Lawsuits for unfair competition, trust and monopoly practices	The organization does not have any pending or closed legal actions for unfair competition, trust practices, and monopoly during the reporting period.				16
GRI 406: Non-discrimination 2016	406-1 Cases of discrimination and corrective measures taken	There was only one case of discrimination, related to racism and homophobia, during the reporting period. As a result, action plans are being implemented to prevent new occurrences. The case was considered valid and the perpetrator was dismissed from the company.				5, 8
SASB TR-AL-520a.1	Financial losses resulting from legal proceedings for anti-competitive conduct and what corrective actions were taken	There were no significant losses in 2023, as actions are ongoing.				
DJSI - Security Practices	Risk Management Process	48				
DJSI - Security Practices	Sensitivity Analysis/Stress Test	48				
DJSI - Integrity	Significant fines	100				
DJSI - Activities and workers	Risks to Human Rights	41				
<b>Relationship with Partners</b>						
GRI 3: Material Themes 2021	3-3 Management of material topics	45				-
GRI 308: Environmental assessment of suppliers 2016	308-1 New suppliers selected based on environmental criteria	47				-

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 308: Environmental assessment of suppliers 2016	308-2 Negative environmental impacts of the supply chain and measures taken	The organization does not assess the environmental impacts of its suppliers, but approves national suppliers with active contracts based on Compliance and Financial risks. The environmental analysis is directed at specific categories such as aeronautical, catering, and fuel, among others, where a questionnaire is requested to prove environmental certificates or documentation.				-
GRI 408: Child labor 2016	408-1 Operations and suppliers with significant risk of child labor incidents	47				5, 8, 16
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers with significant risk of cases of forced or compulsory labor	47				5, 8
GRI 414: Social assessment of suppliers 2016	414-1 New suppliers selected based on social criteria	46				5, 8, 16
GRI 414: Social assessment of suppliers 2016	414-2 Negative social impacts of the supply chain and measures taken	We monitor the national and contractual supplier base on a quarterly basis. Currently, we have a base of 1,168 suppliers, of which 11 have been identified as high risk, meaning they have presented negative debt certificates as "Positive," or are disreputable or punished companies.				5, 8, 16
DJSI - Economic impacts	Economic value creation	26				
DJSI - Governance	Membership associations	42				
DJSI - Avaliação Social de fornecedores 2016	Purchasing practices	46, 47				
DJSI - Avaliação Social de fornecedores 2016	ESG Performance	46, 47				
DJSI - Avaliação Social de fornecedores 2016	Training for buyers	46, 47				
DJSI - Avaliação Social de fornecedores 2016	Suppliers assessment	46, 47				
DJSI - Avaliação Social de fornecedores 2016	Supplier development	46, 47				
DJSI - Avaliação Social de fornecedores 2016	KPIs for supplier screening, assesment and development	46, 47				

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
<b>Development through Connectivity</b>						
GRI 3: Material Themes 2021	3-3 Management of material topics	31				-
GRI 203: Impacts indirect economic 2016	203-1 Investments in infrastructure and support for services	93				5, 9, 11
GRI 203: Impacts indirect economic 2016	203-2 Significant indirect economic impacts	Among the positive indirect economic impacts identified and considered significant, the creation of indirect jobs, the development of local suppliers, investment in education, and the attraction of foreign investment stand out. Likewise, technological innovation, infrastructure development, tourism, and the attractiveness of regions are also considered indirect economic impacts.				1, 3, 8
GRI 204: Practices shopping 2016	204-1 Proportion of spending on suppliers locations	47				8
GRI 413: Comunidades locais 2016	413-1 Operations with engagement, evaluation of impact and development programs aimed to the local community	The company implements engagement and development actions based on the needs of the local community, covering vulnerable groups. Although it does not conduct formal social impact assessments, it has plans and processes for broad community consultation. In addition, it maintains various communication channels, such as a hotline, email, social networks, community meetings, and partnerships with local organizations.				
GRI 413: Communities locations 2016	413-2 Operations with negative impacts real or potential significance in communities locations	The company does not have operations that generate significant negative impacts on local communities.				1, 2
<b>Security</b>						
GRI 3: Material Themes 2021	3-3 Management of material topics	37, 49				-
GRI 403: Health and security of work 2018	403-1 Health and safety management system work	43				8
GRI 403: Health and security of work 2018	403-2 Identification of danger, assessment of risk and incident investigation	43				8

Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
GRI 403: Health and security of work 2018	403-3 Occupational health services	The company provides occupational health services to establish and maintain a safe work environment and has 8 doctors, 1 nurse, 2 psychologists, 2 nursing technicians, and 1 social worker.				8
GRI 403: Health and security of work 2018	403-4 Workers participation, consultation and communication to workers regarding health and work safety	43				8, 16
GRI 403: Health and security of work 2018	403-5 Training of health workers and workplace safety	43				9
GRI 403: Health and security of work 2018	403-6 Promotion of worker health	87				3
GRI 403: Health and security of work 2018	403-7 Prevention and mitigation of health impacts and work safety directly linked with business relationships	43				8
GRI 403: Health and security of work 2018	403-8 Workers covered by a system of occupational health and safety management	43				8
GRI 403: Health and security of work 2018	403-9 Work accidents	49				3, 8, 16
GRI 403: Health and security of work 2018	403-10 Professional diseases	87				3, 8, 16
SASB TR-AL-540a.1	Description of the implementation and results of a safety management system	The implementation and results of a safety management system are supported by our Operational Safety Management System (SGSO), which is based on four pillars: Policy and Objectives, Operational Safety Risk Management, Operational Safety Assurance, and Operational Safety Promotion. The Quality and Safety area is responsible for promoting, facilitating, measuring, and informing Azul about risks and difficulties in various scopes, including Occupational Safety.				
SASB TR-AL-540a.2	Number of plane crashes	There were no air accidents in the year of this report.				
SASB TR-AL-540a.3	Number of aviation security measures taken by the government	No aviation security measures were taken by the government in the year of this report.				



Gri standard / other source	Content	Location	Omission			Sustainable Development Goals
			Omitted requirements	Reason	Explanation	
SASB TR-AL-000.A	Available Seat Kilometers (ASK) – number of seats multiplied by kilometers traveled	26				
SASB TR-AL-000.B	Passenger Load Factor	26				
SASB TR-AL-000.C	Revenue Passenger Kilometers (RPK) – number of paying passengers transported in 1 km	26				
SASB TR-AL-000.D	Revenue Ton Kilometers (RTK) – the product of the volume of tons transported by kilometers traveled	26				
DJSI - Health and safety of work 2018		37, 49				
<b>Non-material indicators</b>						
GRI 201: Performance economic 2016	201-1 Direct economic value generated and distributed	26				8, 9
GRI 202: Presence on the market 2016	202-1 Proportion between the lowest salary and the local minimum wage, with gender discrimination	The company has a remuneration policy that sets the minimum wage for its crew members at 24% higher than the national minimum wage.				5, 8
GRI 202: Presence on the market 2016	202-2 Proportion of board members hired in the local community	100% of the board members are hired from the local community, considering all operational units and defining local as Brazil.				8
GRI 404: Training and education 2016	404-1 Average hours of training per year, per employee	82				4, 5, 8, 10
GRI 404: Training and education 2016	404-2 Programs for improving employee and assistance skills for career transition	82				8
GRI 404: Training and education 2016	404-3 Percentage of employees who receive regular performance reviews and career development	82				5, 8, 10
DJSI - Biodiversity 2016	Risk assessment	65, 105				
DJSI - Impacts Economic	Contributions to political and party organizations, and other associations	The company does not make donations to political or partisan organizations. Our contributions are limited to those presented in the GRI 2-28 indicator.				

# Declaration of Compliance



## DECLARAÇÃO DE CONFORMIDADE Conformity Declaration

### INDEPENDENT ASSURANCE

**Nº 589.001/24**

To members of Senior Management and other stakeholders of AZUL LINHAS AEREAS BRASILEIRAS S.A., this Statement of Verification documents that ABNT carried out verification activities (independent assurance) in accordance with the standards and principles of the Global Reporting Initiative (GRI), Airlines Sustainability Accounting Standard (SASB Standards) and PE-493 - Procedure for Verification of the GRI Sustainability Report of:

**AZUL LINHAS AEREAS BRASILEIRAS S.A. (AZUL LINHAS AÉREAS)**  
CNPJ: 09.296.295/0001-60

**Purpose of the Declaration:**

This Declaration refers to the Sustainability Report covering the period from January 1st to December 31st, 2023.

**Verifier Team:**

Mariana Fellows Garcia – Lead Verifier

**Level of assurance:**

Limited

**Introduction:**

Azul Linhas Aéreas was responsible for gathering data and information about its performance to compose its Sustainability Report, as well as for providing the evidence used in this verification. ABNT was responsible for verifying the evidence and the Sustainability Report in relation to the applicable requirements established by GRI.

The information published in the report is the sole responsibility of Azul Linhas Aéreas management.

**Methodology:**

Verification began with the analysis of final version of the Sustainability Report and the records of the materiality study and those of the stakeholder engagement process. Meetings were held with those responsible for preparing the report on these processes. In this way, it was possible



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## DECLARAÇÃO DE CONFORMIDADE Conformity Declaration

to plan the interviews with those responsible for the data and information used in the composing of the report.

Remote interviews were carried out on the organization's processes and on data and information related to the indicators, using the Microsoft Teams application that allows sharing of evidence.

Such evidence was analyzed in relation to the criteria established by the GRI and SASB, taking into account the data, its control and analysis systems used in the Sustainability Report. The findings were reported to those responsible for the report, who made the necessary changes, resulting in the final version of the document.

A basic sampling was carried out with limited information collection and traceability, with emphasis on the plausibility of the information. The data and information were checked on a sample basis, with a view to studying the material topics presented in the Report.

**Declaration of Independence and Impartiality:**

ABNT is an independent conformity assessment association that adopts international principles and procedures that guarantee technical accuracy, reliability, independence and impartiality of the services provided.

We declare that an assessment was previously made and we certify that no conflict of interest exists between ABNT, its team and Azul Linhas Aéreas of any nature, especially ones that would prevent the performance of the service.

The team that carried out this verification for Azul Linhas Aéreas has extensive knowledge in verifying information and systems that involve environmental, social, health, safety, ethics and governance issues, which, combined with experience in these areas, allows us to have a clear understanding of the presentation and verification of good corporate responsibility practices.

**Opinion on the sustainability report:**

1- The organization carried out an extensive materiality study to enable the review of material topics, aligning them with the current version of the GRI standards. In the study, internal and sectoral documents were consulted, and benchmarking and interviews were carried out with leaders, in addition to online surveys with representatives of Azul's main stakeholders. Non-material topics were also identified, considered strategic issues by the organization and therefore analyzed in the Sustainability Report. The material and strategic themes were related to the UN Sustainable Development Goals (SDGs). The study was conducted in 2022 based on the double materiality methodology and is reviewed every 4 years.

2- Throughout the Verification, compliance with the requirements of GRI standards and principles, as well as with SASB indicators for the aviation sector, was evaluated. Opportunities for improvement related to the clarity of information were identified. These improvement opportunities were promptly addressed by the organization.



Declaração de Conformidade válida somente acompanhada das páginas de 1 a 3

MC-01 2-3

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### DECLARAÇÃO DE CONFORMIDADE Conformity Declaration

3- It is worth highlighting the composition of the Board of Directors, the highest decision-making body of the organization, composed of 12 members, 11 of whom are independent directors, whose resumes attest to extensive experience in ESG topics, facilitating the execution of the sustainability programs and actions described in the analyzed Sustainability Report.

4- The CEO's message summarizes the main actions taken in 2023 regarding improvements in environmental performance, consolidation of social actions, and enhancement of operations in Brazil and worldwide.

5- Financial statements are available on the organization's website dedicated to Investor Relations. This site provides information on corporate governance, financial results disclosure, and other services for investors.

6- Regarding environmental content and indicators, issues such as climate change management, energy management, biodiversity, waste management, and consumption of materials and water resources were addressed. Measures and performance in greenhouse gas management, reduction of resource use, and waste generation were notably evaluated.

7- Concerning people, the organization has developed programs that value and support its employees, called crewmembers. There are programs for the integration of new employees, their families, and friends, inclusion, and equity programs, among others. These programs result in increasing levels of employee engagement, as shown by surveys conducted since 2017. For the external audience, the organization demonstrates commitment to social issues. Volunteer incentive programs, humanitarian flights, and a program promoting entrepreneurship and business development in the Amazon region, fostering connectivity between entrepreneurs and their consumer markets, are conducted.

**Conclusion:**

After carrying out all the verification procedures nothing was identified that could indicate that the information contained in the Sustainability Report is not consistent and reliable. Likewise, there was nothing found that points to the fact that Azul Linhas Aéreas has not established adequate systems for collecting, compiling and analyzing quantitative and qualitative data, used in the preparation of the Sustainability Report and that the report does not comply with the principles for defining content and quality of the GRI and SASB standard for sustainability reporting.

Rio de Janeiro, April 30th, 2024.

*Guy Lãdvocat*  
Guy Lãdvocat  
Systems Certification Manager

Esta declaração de verificação é suportada por contrato de atendimento à norma e procedimentos da ABNT é válido somente em original e com o timbre da ABNT em alto-relevo seco, assinado pelo Gerente de Certificação de Sistemas. Sua validade pode ser confirmada no seguinte endereço eletrônico: [www.abnt.org.br](http://www.abnt.org.br). (CNPJ: 33.402.892/0001-06 – Tel.: (21) 3974-2300).



Declaração de Conformidade válida somente acompanhada das páginas de 1 a 3

MC-01 3-3

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## CREDITS AND CORPORATE INFORMATION

THE 2023 SUSTAINABILITY REPORT IS A CORPORATE PUBLICATION OF AZUL.

GENERAL COORDINATION: **Sustainability**

EDITORIAL COORDINATION, GRI AND SASB CONSULTANCY, AND GRAPHIC PROJECT AND DESIGN: **Grupo Report**

SPELLING REVIEW: **Catalisando Conteúdo**

PHOTOS: **Azul image bank and Shutterstock**

ASSURANCE: **ABNT**

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