

PRESS RELEASE

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The Air France group plans measures to adapt its workforce to the COVID-19 crisis

Air France and HOP! today presented the staff representatives with their strategic orientations and the prospects for adapting the workforce following the COVID-19 crisis which has hit the Group hard.

For three months, Air France's activity and revenue fell by 95%, and at the height of the crisis, the airline was losing 15 million euros per day. Recovery looks set to be very slow due to the uncertainties regarding the health situation, the lifting of travel restrictions and changing commercial demand. In this way, even on the basis of ambitious recovery assumptions, Air France predicts that it will not see the same level of activity as in 2019 before 2024.

The support of the French State, in the form of guaranteed loans amounting to 7 billion euros, will enable the Group to withstand the crisis in the short term and is accompanied by strong commitments to ensure its sustainability. Air France must accelerate its transformation to regain its competitiveness and strengthen its leading position in terms of sustainable transition.

In the context of such a lasting decline in activity, the Air France Group must act with lucidity and responsibility. Its transformation is mainly based on changing its domestic business model, reorganizing its support functions and continuing to reduce its external and internal costs.

For Air France, predictions of staff requirements show a reduction of 6,560 jobs by the end of 2022 out of a current total of 41,000. The many natural departures expected over this period (more than 3,500) will make it possible to compensate more than half of these job reductions thanks to a favourable age pyramid.

For HOP! the resizing of activity and the restructuring of the company linked in particular to the simplification of the fleet will lead to a reduction of 1,020 jobs over the next three years out of the current 2,420. Taking into account the estimated number of natural departures, the overstaffing figure remains at around 820 at the end of 2022.

Air France and HOP! are working together with the unions to implement plans that give priority to voluntary departures, early retirement arrangements and professional and geographical mobility. Solidarity within the Air France Group will also be implemented with proposals for internal job offers to all employees whose position will no longer exist and who do not wish to be included in the departure plan.

Air France and HOP! will conduct these processes in a spirit of dialogue, and with responsibility and transparency around the challenges of rebuilding the Air France Group.

This reconstruction plan will be presented at the end of July, together with the plan for the Air France-KLM Group.