

AF-KLM and CMA CGM's cargo partnership takes off

## | Letter from the Director of Air France-KLM

At the forefront of more responsible European aviation, we are bringing people together to build the world of tomorrow.

(Air France-KLM Group's raison d'être)



### François Robardet

Representative of the employees and former employees shareholders PS and PNC

N°907, April 10, 2023

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## Monday's Press Review

### > Air France-KLM and CMA CGM cargo partnership takes off

(source Les Echos) April 3, 2023 - Ten months after the announcement, **the strategic partnership between Air France-KLM and CMA CGM can finally take off**. After months of preparation, the two partners have finally obtained the necessary regulatory approvals to implement their agreement, which provides for the pooling of the two groups' cargo resources.

In May 2022, the first part of this alliance had already resulted in CMA CGM taking a 9% stake in Air France-KLM, for some 400 million euros. The Marseille-based shipowner became Air France-KLM's largest private shareholder, with a stake almost equivalent to that of the Dutch government (9.3%), and contributed significantly to the success of the Air France-KLM capital increase. As of this Monday, **Air France-KLM Martinair Cargo**, the cargo division of Air France-KLM, **and CMA CGM Air Cargo**, the air cargo subsidiary of the shipping group, **will be able to jointly operate and market their offer, which currently consists of 12 all-cargo aircraft** (six from Air France and six from CMA CGM), as well as the bunkers of 160 long-haul Air France and KLM aircraft.

**This will enable the new duo to claim the title of number one in air freight in Europe, ahead of Lufthansa, and number four worldwide in terms of network and capacity, behind the American Fedex, followed by Qatar Airways and UPS.** This joint offer will grow, with six additional aircraft expected from CMA CGM

(including four Airbus A350 Fs), which will be added to the first six, and eight A350 F orders in progress from Air France-KLM, which will replace some of its Boeing 777s.

**Designed on the model of Air France-KLM's transatlantic joint ventures with Delta**, this virtual joint venture will not go as far as merging the two airlines, which will remain two separate entities. But customers will have access to their entire offer, notably via a common online platform, soberly named "myCargo", allowing them to make online reservations.

For the time being, **however, this agreement is not yet applicable to North America** (as well as Turkey, Mauritius and Russia), as the two partners obviously do not yet have the green light from the American authorities. But in the medium term, it is likely that this cargo joint venture will eventually include Air France-KLM's other strategic partners: Delta Airlines and China Eastern.

***My comment:** In this partnership, Air France-KLM brings its know-how in air freight, CMA CGM its financial power.*

## > Dutch court rejects plan to cap flights at Schiphol in 2023-2024

(Reuters source, translated with DeepL) April 5, 2023 - **A Dutch court on Wednesday rejected a government plan to cap the number of flights at Amsterdam's Schiphol Airport at 460,000 in 2023-2024**, a victory for KLM and other airlines that had brought the case to court.

The government announced the cap in February, calling it a temporary solution to reduce noise pollution and tackle other environmental problems.

Last month, the airlines took the government to court over the plans, saying the cuts would harm them, the Dutch economy and travellers, and that viable alternatives had not been considered.

They also said the government's plans to cap the number of flights at 460,000 between November 2023 and October 2024 had not been properly considered and that they had already made investments based on a 500,000 flight cap agreed in 2015.

In a preliminary ruling, **the Noord Holland District Court said the government had "not followed the correct procedure" in deciding to impose the limit. "The state must consult all interested parties and a reduction in the number of flight movements is only allowed when it is clear that other measures to reduce noise pollution are not sufficient."**

KLM replied that it was satisfied with the decision and that it believed that noise and other types of pollution could be reduced by other means.

The Ministry of Transport (...) could not immediately be reached for comment.  
(...)

***My comment:** The result was expected. It was clear that the Dutch government had not complied with the European directives. As the judge stated, and as the airlines using Schiphol had unsuccessfully demanded:*

**The state must consult all interested parties and a reduction in the number of flight movements is only permitted when it is clear that other measures to reduce noise pollution are not sufficient**

*The ball is now in the court of the Dutch government. It must discuss with the airlines how much they can contribute to reducing noise and limiting CO2 emissions around Schiphol airport.*

### > **Amsterdam airport takes the big gamble on traffic decline**

(source Les Echos) April 4, 2023 - **Amsterdam Airport Schiphol is opting for a decline.** After the Dutch government's contested decision to limit traffic to 440,000 flights per year, the **CEO of Schiphol Group**, appointed last November, **announced on Tuesday three decisions** aimed at removing any hope of traffic growth at the KLM hub.

**The first measure**, already announced by the government, **is the implementation of a curfew**, by 2025 at the latest. Take-offs will be banned from midnight to 6 a.m. and planes will no longer be allowed to land in Amsterdam from midnight to 5 a.m. According to the airport management, **this means 10,000 fewer night flights per year.**

**Another decision to reduce traffic is the abandonment of the expansion project, which included the construction of an additional runway.** The land, which had been reserved for this purpose, will be freed up. This will satisfy the residents' associations, which have been taking legal action against the Schiphol expansion projects in recent years.

**Finally, a ban on private jets and small business jets is in the pipeline.** Only medical and government flights will be allowed. "About 30 to 50 percent of these private jet flights are to vacation destinations such as Ibiza, Cannes and Innsbruck," says the airport statement, which justifies its decision by the disproportionate amount of noise pollution and CO2 emissions per passenger produced by private jets. Taken separately, **these measures are not unusual.** Several major European airports have long had curfews in place, such as Orly and Frankfurt airports.

Similarly, banning private aircraft from a major international hub that is already saturated, such as Amsterdam, is not an aberration. In Paris and London, private flights have been relegated to specialized airports, such as Le Bourget.

In Amsterdam, the ban on private aircraft should result in the elimination of some 6,000 flights, which will free up some slots for cargo or long-haul flights.

However, the **combination of these measures and the authoritarian traffic restrictions poses a serious threat to KLM's future and its ability to finance its investments.**

While most European airlines have returned to growth and were posting record

profits in 2022, the Dutch company saw its accounts go into the red in the fourth quarter. This was mainly due to the inability of Amsterdam airport to cope with the recovery in traffic. Some Dutch customers have already turned away from Schiphol to fly to Brussels, Paris or Frankfurt.

***My comment: Once again, I am surprised that the airport is unilaterally presenting proposals that will have considerable consequences for the airlines, without involving the industry in the process.***

*However, the judge's decision invalidating the Dutch government's plan to reduce flights at Schiphol (see previous article) made it clear that prior discussions had to be held.*

*Will the law have to be applied again?*

## > **Transavia to test real-time alerts to reduce fuel consumption**

(source La Tribune) April 4, 2023 - The plane has just landed. A pilot receives an alert message. Everything is OK to taxi his plane to its parking place with only one engine. The maneuver will allow him to save fuel at the same time. This scenario is not science fiction. From this year, the Toulouse-based company OpenAirlines wants to test the sending of real-time alerts to pilots in order to set up procedures that will further reduce the environmental footprint of aircraft.

**A pioneer in eco-piloting for aircraft, OpenAirlines launched a software program ten years ago with the ambition of achieving 2 to 5% fuel savings on each flight**, with a significant reduction in CO2 emissions in the process. Its operation is simple: after each flight, airlines retrieve a memory card from the back of the aircraft where all flight data is recorded. The pilot has access to a 3D map of the route: the route is blue when the pilot has mastered his driving and turns red when there has been a mistake. The airlines have access to another interface with more global data on the conduct of all the pilots and indications on the causes of fuel losses: landing too hard, detour during the journey ...

**The solution has already won over some 50 airlines, including Air France, EasyJet, Fly Dubai, Norwegian, Cebu Pacific and Atlas Air.** In 2022, all Openairlines customers have saved more than 326,000 tons of fuel representing 365 million dollars, and one million tons of CO2 saved.

**The Toulouse-based SME now wants to go further and send real-time alerts to pilots.** Openairlines would like to test this solution with two airlines by the fall: Transavia and Philippines Airlines.

The low-cost airline of Air France-KLM is a historical customer of OpenAirlines since it has been using its eco-piloting software for ten years. "This solution allows us to check the efficiency of our procedures and to make the pilots aware of good

practices. For example, **accelerating on takeoff from 1,500 feet rather than 3,000 feet saves about 20 kilos on a medium-haul Boeing 737**. We have been able to increase the application of this procedure from 50% to 90%, simply by facilitating access to information on this procedure," remarked Emmanuel Cachia, pilot and former Director of Flight Operations at Transavia, on the sidelines of a meeting of some 30 OpenAirlines customer airlines on March 20 in Toulouse.

The experimentation of real-time alerts could be conducted in particular to implement taxiing with only one engine.

"The Air France-KLM group has made strong commitments to reduce its carbon footprint in the years to come, but this will never be at the expense of flight safety. **And to implement taxiing with a single engine, there are a whole series of conditions to be met:** the ground must not be wet or the taxiways (aircraft parking spaces) must not be on a slope... Especially since pilots don't necessarily know all the terrain when they land for the first time. **The purpose of the real-time software is to reassure pilots and show them that we have studied the terrain and that everything is OK for this single-engine taxiing procedure,**" adds Emmanuel Cachia. **"A pilot has to land at different airports all the time and in some cases, the decision tree is not easy to implement.** In case of doubt, by default, the pilot will not implement a procedure. **The software is there to tell the pilot that it's safe and that he can go ahead,**" says Alexandre Feray, who founded OpenAirlines after having been the IT manager in charge of flight operations at Air France.

In 2022, OpenAirlines recorded a 60% growth in its turnover, which reached 6.6 million euros. **The 70-employee SME is projecting a new leap to 8.5 million for this year, with a workforce exceeding the 100-employee mark.** After a slump during the Covid, OpenAirlines is buoyed by the recovery in traffic and increased environmental concerns among air transport players worldwide. "

In Europe, aviation bashing is a real issue. But even **in developing countries in Asia, we see a strong demand for ecopilot solutions.** We have signed up a company in the Philippines and Korean Air in Korea. **In these countries, there is no environmental pressure or debate about limiting flights, but there is still a growing environmental awareness among both the population and politicians,** and we feel that airlines are not lagging behind on this subject," concludes Alexandre Feray.

***My comment:*** *The Air France group has long been one of OpenAirlines' main clients, using Transavia to test its innovations before rolling them out at Air France. OpenAirlines may be a small company, but it is at the forefront of developing technical solutions that allow airlines to reduce their fuel consumption, and consequently their CO2 emissions.*

## > **UK halves tax on domestic flights**

(source Les Echos) April 6, 2023 - This was no April fool's joke, but a decision that

went against the European trend. On April 1, **the United Kingdom halved the Air Passenger Duty (APD) on domestic flights, in order to boost air traffic on domestic routes.** The APD, which has applied to all flights departing from the UK since 1994 and whose amount varies according to the length of the journey, has been reduced from 13 to 6.5 pounds per segment (7.5 euros), or 13 pounds for a round trip (15 euros), instead of 26 pounds.

(...)

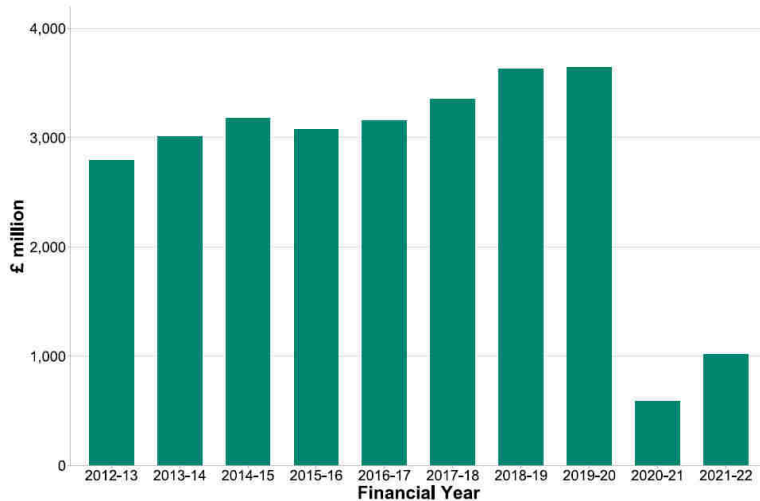
This measure is part of a series of tax cuts designed to boost the British economy. **And for air transport at least, the first effects were not long in coming. On the same day, Ryanair announced the launch of 9 new domestic routes in the UK,** compared to only one previously, while EasyJet announced three new routes, as well as an increase in its summer offer of 36% compared to summer 2019. British Airways, Aer Lingus and Logan Air also announced double-digit capacity increases for this summer. **According to OAG, this would double the air supply on the UK domestic network this summer compared to summer 2019 to 16.2 million seats.** This is already a major turnaround after decades of continuous decline in domestic traffic, illustrated again recently by the bankruptcy of Flybe last January.

This decision is obviously not to everyone's liking. **Several environmentalist organizations** in favor of decreasing air travel **immediately accused the government of favoring air travel over rail. This argument was easily dismissed by the airlines, which pointed out that most of their domestic routes are not served directly by the railways.**

Moreover, **the train in the UK has a reputation, which is well deserved on the whole, of being** both expensive, often on strike and archaic, **with a high proportion of diesel locomotives whose CO2 and fine particle emissions are on a par with those of the car.** On the other hand, the United Kingdom is a pioneer in helping to decarbonize regional air transport, with the example of ZeroAvia and its prototype hydrogen fuel cell aircraft.

**However, another facet of the government's measure is also upsetting the airlines. The decrease in the ODA on domestic flights will be more than compensated for in the government budget by an increase in the tax on long-haul flights of more than 5,500 miles (8,851 km), from 82 pounds per flight in "economy" class to 91 pounds (104 euros) and up to 607 pounds (694 euros) in First.** As many of the kingdom's inhabitants have family on other continents, this increase has not gone unnoticed and should encourage some of the clientele to take a long-haul flight from Europe.

Figure 1: Total APD receipts for the previous 10 financial years



**My comment:** The overall revenue from the APD (Air Passenger Duty) collected by the British government was estimated for the year 2022-2023 at 3.5 billion pounds (4 billion euros), close to the maximum observed over the last ten years (see graph above).

This tax, whose aim is to limit the climate impact of air transport, is to my knowledge without equivalent in Europe in terms of its amount.

Will the measure (lowering the tax on domestic flights and increasing it on longer flights) in force from April 1 have an impact on the behavior of British travelers?

British airlines have begun to respond: they are increasing their summer program on domestic flights while continuing to increase their long-haul program.

### > Lufthansa sells its catering subsidiary LSG

(source AFP) April 5, 2023 - Europe's largest airline group **Lufthansa announced Wednesday the sale of its refueling subsidiary LSG, which employs 19,000 people, to a German investment company in order to continue its refocusing on its airline business.**

"The sale of the catering segment is part of the Lufthansa group's strategy to focus more on its airline business," the group said in a statement, without specifying the value of the transaction. Experts interviewed by the German business daily Handelsblatt estimate the value of the subsidiary at between \$500 million and \$1 billion.

Lufthansa, saved from bankruptcy by the German state during the pandemic, has been going through a restructuring phase to save money. **The company had already sold a first part of the LSG group in 2019 to the Swiss Gategroup, including the European branch of its catering business, which accounted for a third of the subsidiary's total revenue and had 7,500 employees.**

**It was left with its non-European catering business, as well as on-board retail.** The transaction is expected to be completed by the third quarter of this year, the group said.

**My comment:** *By selling its entire refuelling business, Lufthansa is giving itself flexibility.*

*The German company will be able to reduce its on-board offer without having to worry about the social consequences within its future ex-subsiidiary.*

## > **Honeywell Connected Maintenance analytics include Aviatar from Lufthansa Technik**

(source: Journal de l'Aviation) March 27, 2023 - **Lufthansa Technik announced that Honeywell Connected Maintenance analytics are now fully integrated into its Aviatar platform.**

This agreement will enable Aviatar's customer airlines to improve their technical operations, reduce maintenance costs, technical delays and flight cancellations. With this enhanced collaboration, **Lufthansa Technik and Honeywell are in effect creating a comprehensive suite of predictive analytics solutions**, "integrating world-class analytics into a complete product offering across many different ATA chapters and aircraft types," describes Nikolaus Koerner, senior director of commercial piloting for Digital Fleet Services at Lufthansa Technik. Aviatar's Predictive Health Analytics solution will have more than 100 indicators for many different Airbus and Boeing aircraft types

**My comment:** *The main players in aeronautical maintenance have developed predictive maintenance solutions.*

*Predictive maintenance allows to anticipate breakdowns and considerably reduce maintenance costs and aircraft downtime.*

*It collects data through numerous sensors installed on the aircraft (in real time via satellite connections or once the aircraft is on the ground) and then analyzes them with predictive algorithms.*

*Lufthansa Technik is not alone in this market.*

*Air France Industries KLM Engineering & Maintenance has developed its own in-house predictive maintenance tool, Prognos, launched in 2016.*

*On the OEM side, Embraer has created a services subsidiary, as has Boeing with*



*Boeing Global Services in late 2016.*

*Finally, Airbus launched Skywise, its digital predictive maintenance platform, in June 2017.*

*These high value-added predictive maintenance services are crucial to the development of aviation maintenance companies.*

## **> Icelandair chooses the Airbus A321XLR to replace its Boeing 757s**

(source Air & Cosmos) April 7, 2023 - **Airbus has just secured a new customer for its Airbus A321XLR. Icelandair** has signed a memorandum of understanding with the European manufacturer for the purchase of 13 firm aircraft, plus option rights on 12 additional aircraft. With this upcoming contract, as well as the Airbus A321XLRs that are part of the large batch of A320neo Family aircraft recently ordered by Air India, **the long-haul single-aisle aircraft is no longer far from the 600-unit mark sold** since the program was officially launched in June 2019.

A sign of market demand: **Icelandair will not be able to take delivery of its first Airbus A321XLRs until 2029.** In the meantime, the airline will lease Airbus A321LRs with a shorter range (7,400 km vs. 8,700 km for the A321XLR), but still adapted to Icelandair's network, from 2025. Four A321LRs are expected and others could follow to join the A321XLRs. Both **aircraft will replace the carrier's Boeing 757s.**

**Icelandair is choosing a capacity of about 190 seats for its future A321LR and A321XLR. By comparison, its Boeing 757-200s can carry 183 passengers, while the capacity of its Boeing 738 MAX 8 and MAX 9 is 160 and 178 seats respectively.** In addition to their range, which allows Icelandair to consider doing more than just New York and Boston, i.e., the ability to serve the West Coast of the United States but also more destinations in Europe, the A321LR and A321XLR complete the carrier's range of capacities and give it additional flexibility in the face of market changes.

**My comment:** *Boeing is currently unable to offer a long-haul single-aisle aircraft with 200 seats to replace its B757s. Only its B737 MAX 10 could allow it to compete with Airbus, but its short range (6,100 km) is a big handicap.*

*This leaves the field open for Airbus with its A321LR and A321XLR.*

*If the A321LR seems to be a success, it will be more difficult for the A321XLR. The A321XLR will certainly have a greater range than the A321LR, but in return it will carry fewer passengers. It will therefore be more difficult to make it profitable.*

## > Ryanair and Wizz Air have never polluted so much

(source La Libre) April 7, 2023 - Ryanair and Wizz Air's emissions last year exceeded those of 2019, according to an analysis of aviation industry data by the NGO Transport & Environment (T&E).

**Ryanair was thus again the most polluting airline in Europe last year, emitting 13.3 million tons of CO<sub>2</sub>, compared to 10.53 million in 2019.** The Irish low-cost airline's fleet is among the most modern and fuel-efficient. But the volume of aircraft and flights is such that Ryanair is by far the most polluting company on the Old Continent.

The Irish carrier has become one of the largest companies in the world in terms of passengers carried.

Another low-cost airline, **Wizz Air, the eighth most polluting European carrier, emitted 3.7 million tons of CO<sub>2</sub>. This is also a record for the Hungarian company.**

**"This rapid recovery flies in the face of promises made by airlines to rebuild better after the pandemic," says T&E.** Long-haul airlines, meanwhile, have yet to return to their pre-Covid levels of business, in part because of increased flight restrictions on non-European routes.

**Lufthansa and Air France emitted 8.7 and 8.1 million tons of CO<sub>2</sub> respectively. Lufthansa is back to 67 percent of its 2019 emissions and Air France is back to 84 percent.** "It's clear that the sector has not improved," says Roman Mauroschat, head of aviation policy at T&E. The idea of a green recovery during the pandemic was misleading. Airlines should get their act together and invest more in green fuels and clean aircraft.

"

**According to the NGO, long-haul carriers such as Air France and Lufthansa paid very little for their pollution in 2022, when their overall emissions are considered. Air France paid an average of €7 per ton of carbon in 2022 for its flights worldwide, according to T&E's analysis.**

Under Europe's "exemption-ridden" carbon market rules, short-haul carriers must pay "much more" for their emissions. **Ryanair paid an average of €44 per ton of carbon.**

"None of these prices are sufficient to solve the growing problem of aviation emissions and meet the needs of the planet," says T&E.

**On average, airlines paid €4 per passenger for CO<sub>2</sub> emissions on a Paris-Berlin flight in 2022. "But for a Paris-New York flight, they didn't pay a cent."** If the carbon market were extended to all outbound flights, T&E calculated that Air France would pay an additional €26 per passenger for its carbon footprint.

"Airlines are emitting large amounts of CO<sub>2</sub> without paying the appropriate price for

their pollution," concludes Roman Mauroschat

The

European Union doesn't care about the polluter pays principle. Even though new rules will eliminate free allowances by 2026, the carbon market is still not up to the challenge and fails to address the bulk of emissions."

Note: "At the time of the analysis (06/04/2023), Air France had not yet entered its EU/Swiss emissions into the EU ETS registry. Therefore, all outbound emissions were estimated using the company's scheduled flight data," the NGO says."

***My comment:** During the work I did with the OMNES team for the creation of a sustainable aviation observatory, I had the opportunity to exchange with the NGO Transport & Environment. I met serious people with whom it is possible to exchange, even if we had different points of view.*

*In the above article, the remarks made by this NGO are therefore to be taken into consideration.*

*However, I will make two comments.*

*The first is the lack of comparison between Ryanair and Air France. If Ryanair is regularly increasing its global CO2 emissions, there is no mention of the fact that since 2005 Air France is regularly decreasing its CO2 emissions.*

*Furthermore, I note the absence of figures concerning the emissions of non-European airlines, which are by far the largest emitters of CO2, and which are increasing rapidly.*

## **Bonus Article**

### **> How the government dropped the ball on air transport pensions to ensure social peace**

(source Les Echos) April 4, 2023 - **Compared to other sectors, the air transport industry has weathered the turbulence of the pension reform rather well.**

Although some minority unions affiliated to the major unions, such as the Usac-CGT among air traffic controllers, have issued one notice after another, disruptions have remained limited, with little more than 20% of flights cancelled, mainly at Orly, Marseille, Toulouse and Bordeaux airports.

**The most powerful unions in the sector - the SNPL for pilots and the SNCTA for air traffic controllers - did not follow the strike orders of the major unions.** Not because they are not concerned by the postponement of retirement to age 64. But **because their representatives have discreetly obtained, sometimes well in advance of the reform, guarantees from the government that their different**

**statutes will be maintained.**

**These confidential negotiations** between the government and the main players in the air transport sector **have not yet been fully completed.** But according to our information, **the government has already committed to the federation of airlines (FNAM) to pay them the financial aid necessary to maintain the provisions of the transport code, which sets the end of activity at 60 years for pilots and 55 years for stewards.**

Pilots, and even more so cabin crew, are in a special situation. Like all private-sector employees, they are covered by the general pension scheme and therefore cannot receive a full pension before the legal retirement age. That is, 62 today and 64 tomorrow. However, the Transport Code provides for a retirement age of 60 for pilots and 55 for cabin crew, unless the employee requests otherwise, and provided that he or she can produce a medical certificate of fitness every six months in the case of pilots.

In the event of cessation of activity or loss of license before full retirement, the CRPN, the supplementary fund for flight crews, financed by the flight crews and their employers, is responsible for supplementing retirement benefits up to the legal age. This is what the CRPN has been able to do up to now, thanks to a sufficiently young seafarer population and good management. But the longer the time between the end of the working life and the age of full retirement, the higher the cost for the CRPN. Hence the determination of the aircrew unions and their employers, the airlines, to obtain from the State at least partial coverage of the additional costs generated by the postponement of retirement from 62 to 64 years.

**The only notable change is that Air France has abolished the internal system encouraging its flight attendants to retire before the age of 56,** in order to comply with the new government priority of keeping "seniors" in employment. This was one of the reasons why most flight attendants stop flying at 55, whereas the effective average retirement age for pilots is 62.5.

**As for air traffic controllers, who are civil servants, the State has again committed to maintaining the retirement age limit at 59, "taking into account the medical and cognitive requirements of the missions performed", as well as the "active category" classification, which justifies the right to early retirement in the name of hardship.** The only concession is that the age of entitlement for those who have completed 17 years of service will gradually rise from 52 to 54.

The State has also guaranteed to maintain the various advantages that allow air traffic controllers to retire at the full rate, despite having contributed less than the required 43 years, such as the "bonus of the fifth", originally designed for military personnel, which allows them to benefit from an additional year of contributions every five years (up to a limit of five free years). Or the "temporary individual complement" (CIT), created in 2015, which grants up to 16 free quarters to air traffic

controllers who have not reached the required number of quarters at age 59.

This explains why the pension reform has not led to a massive mobilization among aircrew, as it has among air traffic controllers. Especially since they have already moved on to the next step. Namely, the negotiation of the next DGAC protocol, with a central demand for an increase in the replacement rate, in order to reduce the gap between the last salary (around 8,000 euros, including bonuses, at the end of the career) and the retirement pension, in the order of 40% to 50%.

***My comment:*** *Concerning the retirement age of air traffic controllers, the arduousness of their activity has been taken into account to set the new rules.*

*This approach (taking into account the hardship to set the new rules) was one of the demands of the unions for all employees affected by the pension reform.*

*According to this week's APNA review, the average effective retirement age is 62.4 for French pilots and 56 for cabin crew, due to a cut-off pension bonus system at Air France (a system that is evolving towards a smoothing of the pension).*

*The CRPN bridging bonus compensates for the absence of a pension from the general scheme until the age of entitlement, which will therefore be 64 after the reform is implemented. It is the increase in the connection premium (induced by the reform) that should be compensated.*

*It should be noted that CRPN statistics show that French aircrew have a life expectancy at age 60 that is 4 years higher than the national average (91 years for women and 87 years for men).*

## **End of the press review**

**> Air France-KLM share price performance over the past year**



The event that has had the greatest impact on the share price over the past year was the capital increase in June of 2.256 billion euros. The funds were used to accelerate the repayment of state aid and to reduce debt.

In 2023, the removal of state aid restrictions, the good 2022 results and the gradual improvement of the company's balance sheet have been welcomed by analysts.

**No new comments**

> [Air France-KLM share price trend](#)

No quotation on Friday April 7 or Monday April 10.

**Air France-KLM shares** closed at **1.596 euros** on Thursday 6 April. It is **down** this week by **-3.68%**.

It was at 1.253 euros on January 2, 2023.

**The 12-month analyst average (consensus) for AF-KLM shares is 1.85 euros** (it was 1.55 euros in early February). The highest price target is 2.40 euros, the lowest 1.10 euros. I only take into account analysts' opinions after the May 2022 capital increase.

You can find the details of the analysts' consensus on my blog.

**No new comments**

> [Fuel price evolution in 2022](#)

Since the beginning of the war in Ukraine, there is no longer any correlation between the price of a barrel of Brent oil and a barrel of Jet Fuel. In 2022, the difference between the two products has fluctuated between \$30 and \$50, while in previous years it was no more than \$10.

*No new comments*

> **Fuel price changes this** week

**The barrel of Jet Fuel in Europe is up this week by \$1 to \$107.** After peaking at \$182 in June 2022, it had fallen back to \$132 by early August. It was at \$79 before the outbreak of war in Ukraine.

**Brent (North Sea) oil is stable this week at \$85. The effect of OPEC+ production cut announcements is fading.**

From mid-February 2022 to the end of July, it was yo-yoing between \$100 and \$120. Since then, it has oscillated between \$75 and \$99.

While oil has been back to a normal level for several weeks, **Jet Fuel is now approaching its normal level. The difference between jet fuel in Europe and Brent crude oil is now only \$32 per barrel.** In 2022, at the beginning of the Ukrainian conflict, this spread was close to \$50.

*No new comments*

## **Good to know**

> **Advice for employees and former employees who are shareholders**

You will find on my [navigaction](#) site [the modalities of access to the managers' sites](#).

To avoid forgetting to change your contact information each time you change your postal address, **I advise you to enter a personal e-mail address.** It will be used for all correspondence with the management organizations.

Keep all the documents related to your Air France-KLM shares in one place: all the letters you receive from the different managers, Natixis, Société Générale, your personal financial institution if you bought your shares through it.

> **Management of employee investment funds**

When you invest money in one of the Air France FCPE funds, you get shares in these funds. You do not hold shares directly.

It is the supervisory boards, which you elected in July 2021 for a five-year term, that manage the funds and make the decisions.

The Aeroactions, Majoractions and Concorde funds only hold Air France shares.

The Horizon Épargne Actions (HEA), Horizon Épargne Mixte (HEM) and Horizon Épargne Taux (HET) funds manage portfolios of various stocks.

***My comment:*** If you would like more information on the management of the various Air France FCPEs, please consult [my website Navigation, section Air France-KLM employee shareholding](#).

## **Details**

**This information is not intended to be a solicitation to sell or a solicitation to buy Air France-KLM shares.**

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**You can ask me, by return, any question relating to the Air France-KLM group or to employee share ownership...**

See you soon.

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## **| François Robardet**

**Director of Air France-KLM representing the employees and former employees shareholders of PNC and PS.**

**You can find me on my twitter account @FrRobardet**



## *Alternate Nicolas Foretz, PNC*



When I was elected, I received the support of the CFDT and the UNPNC.

This press review deals with subjects related to the Air France-KLM shareholding.

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