Framework agreement regarding the Air France KLM and Martinair Cargo organisation in Europe

Area Europe Management, part of the division Air France KLM and Martinair Cargo (herein after called Area Management) and the European Working Council (herein after called EWC),

Considering that,

a. Air France KLM and Martinair's governance and business structures are as such to realize synergies and improve its position against competitors,
b. Air France KLM and Martinair find themselves in a financially challenging time, need to control costs very closely and protect their cash position to stay economically viable,
c. The world wide technology developments are heavily influencing customer behaviour in the airline industry,
d. These technology developments are being adopted in Air France KLM and Martinair's types of services and products, moving more and more to e-based tools and systems. Air France KLM and Martinair needs flexibility to match this moving environment,
e. These technology developments and internal adaptations can be considered as an ongoing development and have caused and will cause changes in the traditional role of the European Cargo organisation and will - differing per country or region in speed and penetration level - gradually impact the activity at the European Cargo organisation,
f. The EWC being a body set up to foster social dialogue and cohesion among employees within the European Union and European Economic Area, shall be informed and consulted on relevant European Cargo issues and within its parameters with a particular interest on the development of employment,
g. Area Management acknowledges the role of the EWC as a representative of the personnel in Europe,
h. Area Management and the EWC both recognize the need to make a clarifying framework on defining the processes and different roles for the European Cargo organisation,
i. France and The Netherlands are out of scope of this framework,

Declare that, in view of the above mentioned considerations, the following framework agreement is applicable.

1. Basic assumptions

Taking the above considerations into account:

1.1 The EWC recognizes the need of Area Management to:
   a) adapt to the competitive and economic environment, anticipate on threats and the technology developments and monitor the impact of this ongoing evolutions by proactively and structurally adjusting the European Cargo organisation activities within Europe,
   b) Further embed the vision to act jointly as one Cargo, by having an integrated and common approach, integrated in the Air France KLM and Martinair Cargo and partners' European Cargo organisation facilities in Europe.

1.2 Both parties understand that the adjustments at the Cargo services in Europe activities and their staff situation have to be executed with full orientation on all options available, leading to the most – by socially, economically and operationally viable solution

1.3 Area Management confirms that they, in case of any future decision taking, which will have (direct) and /or important consequences for the European Cargo organisation, in the social, economic and/or financial field, will inform the EWC transparently and concurrently with the local councils, unions and/or other workers representatives. This agreement will not infringe on the rights of local councils or other workers representatives.

1.4 Both parties consider this framework in line with the EWC protocol, though the latter will remain the leading document in case of any discrepancies. In case of a more general decision made by the Air France KLM Group's central management touching the subject of this framework, this agreement will be terminated and at the same time the consultation process will start.

1.5 Both parties understand that consequences resulting from internal strategic developments (like changes in network schedules) or external forces (like moves of terminals or local authority's regulations) are out of the scope of this agreement and the specific position of the EWC will be determined in line with the EWC protocol.

2. Process agreements

2.1 Area Management is steering the European Cargo organisation by the request of anticipating the future, understanding and respecting each country's specifics and local circumstances. This approach is part of daily business; hence the Cargo Working Group (WG) EWC will be informed only in case of any anticipated or relevant change.

2.2 Both parties have agreed that local studies on all functions of the Cargo services in Europe activities and their staff situation are executed under local management discretion.

2.3 Consultation - if applicable- on the parameters, processes and decisions remain with local social partners. Local management will cooperate closely with Area Management on the findings of the studies and their consequences.

2.4 Area Management will subsequently inform the Working Group in a timely and transparently on the studies of interest, their intended decision and their consequences.

2.5 Area Management will offer the Working Group the opportunity to address concerns in structural meetings which will occur with a minimum of twice a year.

2.6 The scope of finding solutions for staff affected by changes within the European Cargo organisation contains in order of preferred application and following legal requirements:

2.6.1 Natural staff evolutions
2.6.2 Offering part-time work, unpaid leave etc
2.6.3 Redeployment (a priority will be given to affected staff) -taking European mobility into consideration-
2.6.4 Training and support in new jobs
2.6.5 Voluntary leave packages
2.6.6 Transfer of undertaking to a new provider

2.7 In case of further developments affecting staff :

- Area Management is committed to monitor and share with the working group the solutions envisaged,
- EWC members are committed to monitor and share with the working group the solutions envisaged,

When applicable, the application of this agreement will be discussed during Working Group meetings.

2.8 In the eventuality that no solutions are found within the possibilities mentioned in 2.6, Air France KLM and Martinair will act in coherence with minimum local legal requirements and applicable local CLA or existing HR rules. The Select Committee will be informed in a timely manner and offered the opportunity to express an opinion on the proposed decision.

2.9 Area Management is committed to protect employment of permanent contracted staff, but also needs employee flexibility to maximise internal redeployment options.

3. Duration of framework agreement and use

This framework agreement will end on the **1st of April 2014**. Changes in this framework can only be made by mutual agreement and will only be effective after a written and signed revised document.
This framework is considered as a reference document for all involved with the European Cargo organisation activities and their staff.

4. Evaluation

The effectiveness of the framework will be part of the agenda of a Working Group session. Attention will be given to:

- Timely and transparent information processing from Area Management to the Working Group and vice versa
- Situation of staff and eventual necessary solutions found in case of change
- Timelines and action plans for local decisions
- Communication flows to and from the social partners
- Any other element of interest suggested by one of the parties

As by both parties, in twofold created and signed in Amsterdam, on December 9th, 2013.

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With acknowledgement on the content and its effect,

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