

" LEAD! " Project

Keep a cool head...



Toulouse, 17 September 2024

Airbus officially launched the plan called « **LEAD!** »
at the beginning of July in its Aircraft division
due to "performance" problems.

This project would involve:

- cost reductions,
- the freeze of white collars external recruitment,
- the recruitment of blue collars limited to ramp-up needs
- the freeze or cancellation of projects considered as "non-priority" (around 5,500 projects identified)
- the redeployment of certain employees

However, Airbus continued its **good commercial performance** during summer with 59 new orders in July to which must be added the 160 orders placed at the Farnborough air show, and 46 additional orders in August.

The **order book** thus reached **8,724 aircraft at the end of August 2024**, an improvement compared to the 8,598 aircraft at the end of December 2023.

Furthermore, the 447 deliveries at the end of August in no way exclude the possibility of reaching the initial objective of 800 aircraft.

FO expects Management to present as soon as possible to the staff representative bodies the LEAD! plan as well as a **detailed analysis** enabling the precise identification and measurement of the impact of the various factors on the drop in performance which would hit Airbus today.

Multiple parameters independent of employees' engagement must be analyzed:

- ☐ due to the high inflation of recent years, the increase in the prices of Airbus purchases could not be fully reflected in the aircraft sales prices recorded when contracts were signed,
- ☐ additional costs caused by dysfunctions are much more numerous in our supply chain since the Covid crisis,
- ☐ the salary costs of over-recruitment are linked to ramp-ups slower than expected,
- ☐ the loss of skills due to numerous departures within the framework of the Covid Social Plan (which has allowed Zero layoffs), then massive recruitments in 2022 and 2023,
- ☐ projects perhaps too numerous,
- ☐ ...



FO considerations



Despite a competitive market, our commercial strategy must take greater account of inflation risks.

On an industrial level, priority must be given to the analysis and resolution of our supply difficulties. **Our supply chain must be strengthened and supported even further by Airbus.**

We do not have a workload problem but rather are unable to cope with it, which causes a loss of performance!

As for the current **over-recruitment noted by Airbus management**, **FO** believes that it should be seen as an **opportunity**, and not a burden. Given our need for ramp-up, Airbus must take advantage of this period to **invest in training!**

FO claims that this project is above all **an action plan** for improving our **overall, industrial but also organizational performance**, and that it is not taken only from the angle of savings measures with a short-term vision.



It is only after an **overall analysis allowing a good understanding of the difficulties** that **FO** and the employees will be able to adhere, or not, to a project including **more or less restrictive measures**.

Furthermore, this plan must be fully part of an **Airbus "medium and long-term" strategy**, maintaining the necessary resources (health & safety, training, projects, R&D, industrial resources, etc.) to **serve the development of Airbus and its employees to guarantee our common future!**

FO will also pay particular attention to the communication and support that will be provided by Airbus to employees who may be redeployed, their current activities no longer being identified as priorities.

FO will also be vigilant to ensure that this project takes place while **respecting social dialogue** and staff representative bodies.

As such, **FO wishes to alert Management to certain local communications**, written or oral, which already indicate quantified workforce reductions... **This is not acceptable.**

We will come back to you following the official discussions which will take place at European level (SE-WC) on 26 September, and at Airbus Commercial in France level (CSE-C) on 30 September.



Airbus Commercial Aircraft