

*Draft– Minutes BGA – 23 September 2020 BARIN General Assembly*

**Confidential**

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| <b>PLACE OF MEETING</b><br>Via MS Teams | <b>DATE OF MEETING</b><br>23 September 2020 | <b>TIME</b><br>14.00 – 15.30 hrs.   |
| <b>MEETING NO.</b><br>03/2020           | <b>DATE OF ISSUE</b><br>24 September 2020   | <b>PAGES (incl. this page)</b><br>4 |

| <b>ITEM</b> | <b>DESCRIPTION OF ITEM</b>  | <b>By</b>    |
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| <b>1</b>    | <b>Confirmation/Changes Agenda</b>  | <b>MF</b>    |
| <b>1.a</b>  | <p>The Chairman opens the BARIN General Assembly at 14.00 hours with an online welcome to all. The hope was to meet face-to-face but due to the ongoing situation around COVID-19 we once again meet digitally. The survey also showed the wish for personal meetings but we have to take it as it comes. We remain to be in challenging times where IATA just published a half year worldwide loss for our industry of US\$ 84 billion. Some airlines get government support whereas others don't but BARIN defends the interests of all of her members 24/7. The role of BARIN is now more important than ever since only together we can overcome this crisis. We have been hyperactive and we have sought more attention through the media not only to address issues but also to make our voice heard stronger. Still we continue to face challenges such as on international collaboration e.g. on the different color codes and we firmly believe that through our joint collaboration and once a vaccine is available our industry will bounce back. At the same time, we know that airlines are going through an extremely difficult time and just like the airlines also BARIN is taking a razor-sharp look at its bottom-line and have we reduced costs drastically this year by reducing management expenses and saving on events. As per our previous meeting we have offered a 10% reduction on our membership dues for 2021 and we remind you to send us an email if you need to make use of this offer. Please direct your request to <a href="mailto:jeanpauldrabbe@barin.nl">jeanpauldrabbe@barin.nl</a> with copy to <a href="mailto:josthasperhoven@barin.nl">josthasperhoven@barin.nl</a>.</p> <p>Next Marnix welcome Léon Jansen who took over the back-office from Frank Allard as per 01 September and gives the floor to Léon.</p> <p>Léon introduces himself whereas many members know him from his past OS-days and his 2-year tenure in the BARIN Executive Board, after which he started his own company supporting various airlines in the past 10 years now. He is happy to have been approached by BARIN to execute this function.</p> <p>Following slide was shown.</p> <p><i>BARIN meetings are being conducted in compliance with the BARIN Code of Conduct.</i></p> <p><i>Pursuant thereto, meetings will not discuss or take action to develop rates or charges, nor will these discuss or take action on remuneration level of any intermediaries engaged in the sales of Air Transportation.</i></p> <p><i>These meetings also have no authority to discuss or reach agreement on the allocation of markets, the division or sharing of traffic or revenues or the number of flights or capacity to be offered in any market.</i></p> <p><i>BARIN-members or observers are aware of their obligation to comply with this BARIN Code of Conduct, and hereby once again reminded that any discussion regarding such matters, or concerning any other competitively sensitive topics outside the scope of the agenda, either on the floor or off, is strictly prohibited.</i></p> |              |
| <b>1.b</b>  | There are no additions to the agenda from the participants. The slides for the meeting were downloaded on the BARIN site in the members section as we had an issue sharing these online.  |              |
| <b>2</b>    | <b>Approval of the draft Minutes BGA 29<sup>th</sup> June 2020</b>  | <b>MF</b>    |
|             | There are no comments or questions on the minutes of June 29 <sup>th</sup> so these were adopted.   |              |
| <b>3</b>    | <b>International collaboration on unified Covid-19 protocols</b>  | <b>MF/JH</b> |
| <b>3a.</b>  | Marnix refers to the many ongoing discussions in various platforms we have both with Schiphol and The Hague, whereas the same time the initiative was taken to have a weekly call with the other European BAR's in order to seek alignment on protocols in Europe. Why can't we all do the same like e.g. in Germany you can have a quick-test with a result in 48 hrs without quarantine when tested negative and a 5-day quarantine when tested positive? Why do we have different color codes all over Europe and is this not unified? This does not help restoring customer   |              |

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| <p><b>3b.</b></p>   | <p>confidence.<br/>As BARIN we insist on 3 main agreements:<br/>1. align all measures within Europe<br/>2. testing upon departure instead of on arrival and no quarantine without testing.<br/>3. Increase testing capacity both by the staff taking the tests as well as in the laboratories.<br/>We did voice our concerns in the media on ‘warrig beleid’ (muddled policymaking), and IATA voiced the same message in a press release yesterday, calling for a sustainable COVID-19 testing as an alternative to quarantine. We do underline that airlines and airports have done everything to create a safe and healthy environment and in fact the abolishment of the testing street at Schiphol proves this as obviously it is more important to test medical staff and teachers than passengers coming from orange areas. There are however 2 spots in the chain which are vulnerable and these are while boarding and while waiting at the baggage belt.<br/>Levon Sarkissians of IR remarks that he experienced the whole process of the testing street as a big mess; nobody knew where and which times the testing was done and he refers to e.g. Aruba where they do a great job in testing. Why can’t this be done in NL?<br/>MF replies that in most EU countries a lack of testing capacity exists and everywhere lab-capacity should be stepped up. LS/IR also states that it is a big shortage of staff at the GGD.<br/>JH adds that in the bi-monthly calls he has with sector parties with the Ministries of Infrastructure and Health we have warned the policy makers that this would come back as a boomerang; The test-street was an initiative of the government and they decided to close it, not the airport or airlines.</p>   |
| <p><b>3c.</b></p>   | <p>Slot waiver extended until 27 March 2021<br/>BAIRN together with other organizations have sent a strong message to the EU in BRU already on the 10th July to extend the slot-rule waiver into W20/21 since airlines needed to work on their schedules. The EU eventually stated they needed until the end of September (due to a consultation round) to come to a final decision and we finally managed to get a positive reply brought forward to 14th September. The waiver is now extended.<br/>Petra de Ruiter/HV suggest to start working on an extension in S21 now, as we now know how long the process takes. JH will act upon this together with sector parties.</p>   |
| <p><b>4</b></p>   | <p><b>Contacts with Ministries</b></p>   |
| <p><b>4.a</b><br/><br/><b>4.b</b><br/><br/><b>4.c</b></p> | <p><b>Ministry of Finance</b><br/>A letter to Finance Deputy Minister Vijlbrief was sent on 11 August to request a delay of the introduction of the proposed ticket tax as Vijlbrief himself hinted in a letter to the House of Representatives in April that due to COVID-19 a delay could be possible. Many countries already have a ticket tax and in itself in the current political climate we understand the plea for it, however it would not be the right time to put more burden on our industry; we requested a delay till at least 2024. So, we jumped on the bandwagon to ask for a delay. IATA also sent a letter but instead asking for a delay they requested a cancellation of the plan.</p> <p><b>Ministry of Infrastructure and Watermanagement</b><br/>Position on reservation space for the Parallel Kaagbaan (Kaag-runway).<br/>JH explains the background of this position paper. As of 2004 space both on the ground as in the air is being reserved for a possible 2<sup>nd</sup> parallel Kaag-runway. The Minister has promised the sector potential growth from 500K to 540K air traffic movements and in order to accommodate such growth we may need another runway. Provinces and Municipalities are now trying to force a quick decision on giving up this reservation so they can build houses under new possibly flight paths into or out of such a runway. We opposed to a quick decision and wish to follow the normal procedure with thorough investigations with a planned decision only to be taken in the Fall of 2021. We have a verbal agreement from the Ministry of I&amp;W that they are sticking to this original plan but we still need a written confirmation of this.</p> <p><b>Ministry of Health, Welfare and Sports</b><br/>A letter by SPL/CEO Dick Benschop on behalf of our sector was sent to Health Minister Hugo de Jonge dated 2<sup>nd</sup> September in order to plea for a unified policy on safe and healthy travel and in essence the sector told the Ministry that we miss a ‘sense of urgency’ and we will be coming up with our own ideas to be coordinated with IATA, ACI and the 5 big airports in Europe to come to a unified and sustainable COVID-19 regime for our sector. Discussions were held afterwards at high level at the Ministries and the message seems to have landed.</p> |

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| <b>5</b>   | <b>Amsterdam Airport Schiphol</b>   | <b>MF</b>    |
| <b>5.a</b> | <p>Update CAPEX</p> <p>Various meetings have been held on the current 3-year deal on the charges and the mitigation measures Schiphol is taking to reduce their current CAPEX as well as OPEX. We do understand that some projects cannot be stopped as it would become even more expensive to restart later, but others can be delayed, cancelled or executed cheaper. We also understand that SPL has certain obligations towards safety and maintenance where it is difficult to push for a reduction in costs. And like many airlines and other airports also Schiphol faces challenging financial times. The letter sent by CFO Jabine van der Meijs of SPL with relief measures such as a 25% reduction of LTO-charges, extended credit facilities and reduced aircraft parking fees at 50% is well appreciated,</p> <p>On the investment portfolios there is a lot of uncertainty on how and when our industry will recover and how much capacity is needed by when. Airlines will be struggling for survival and no doubt some bankruptcies will follow. Although SPL already reduces the CAPEX by € 349 M, we wish to see more action on the shorter term in order to have LTO-charges reduced. Originally Schiphol had announced an increase of the LTO-charges of 8% as per 1 April 2021. The proposal from SPL is to continue with a planned increase of 5% increase but we still repeat that any increase in the current circumstances is unacceptable. Next MF reads the statement sent to SPL by BARIN:</p> <p><i>“BARIN appreciates the temporary relief measures, as communicated again by Amsterdam Airport Schiphol in their letter September 19. These measures reflect the extremely difficult situation our industry is facing. It is commonly agreed that we don’t have passenger volumes from before the crisis back before 2024. Also, the government generously supports its citizens, national airline and other businesses. The government also indicated it might delay the tickettax, planned to be introduced in 2021. However, BARIN regards an increase of airport charges in sharp conflict with all the above-mentioned support measures.</i></p> <p><i>BARIN was disappointed to learn on September 21, that Amsterdam Airport Schiphol wants to continue with an increase of its charges.</i></p> <p><i>This is not the time to put more burden on the airline industry.</i></p> <p><i>Therefore, we strongly request Schiphol to refrain from any increase.”</i></p> <p>PdR/HV informs the meeting of the intended increase in LTO-charges of nearly 50% in 2021 in EIN and this is triggered by the military part of the airport who charges the civil part more in order to cover their own costs. MF reacts that this is a horrible example and he will share his concern with Dick Benschop CEO/SPL in a meeting right after the BGA.</p> <p>We may need to seek media attention for this.</p> <p>Jan Feenstra/DL asks if there are any politics behind the EIN case which could be seen in the light of the push for opening of LEY but MF indicates he does not think this is the case. PdR states that this consultation is still ongoing and MF will also address this at the CEO of KLM Pieter Elbers.</p> <p>There are no further questions from the floor.</p> |              |
| <b>6</b>   | <b>Finance</b>  | <b>JPD</b>   |
| <b>6.b</b> | <p>Treasurer Jean Paul Drabbe explains that as we are more than half way through the year we have a pretty clear picture on how our finances are doing. We have been able to considerably save costs by transferring the duties of Frank Allard to Marnix Fruitema and the secretariat or back office duties to Léon Jansen. This was an important step on the cost-saving side.</p>  |              |
| <b>6.a</b> | <p>We still have 2 airlines outstanding for payment as well as 1 preferred supplier being Travelport as we have a dispute with them over their termination date. Our income will probably be slightly lower than budgeted; However, we also save a little bit on the cancellation of events this year.</p> <p>All in all, we have a balanced income vs. costs. There are no further questions from the floor.</p>   |              |
| <b>7</b>   | <b>Membership Survey</b>  | <b>MF/JH</b> |
|            | <p>We have a reply rate of 41% of the airlines addressed which gives a fairly good picture on where we stand. The input we have received is very valuable and reactions are predominantly positive. The results have been shared with you and in red you may find the more negative results;</p> <p>These concern amongst others the user-friendliness of our website and we will make this an action point to look at. We see a mixed picture on whether or not we should use Social Media.</p>  |              |

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|              | <p>Important for the BARIN Executive Board is to see that many of the airlines feel they get “value for money”. Nevertheless, we do understand the need to be extremely cost-conscious. Especially now with COVID-19. Newsletters get the highest score and we continue to share the most relevant documents with you via this medium. Events are to be limited and we already have to announce that we see no opportunity to organize a Christmas dinner at 1½ meter distance and at the same time we save huge costs with this. As for the New Year Gathering, we will have to see how COVID-19 develops and we will take a decision on whether or not to organize that in due time. <i>[side note: The Summer BBQ and Golf tournament have always been fully sponsored and do not take any budget from BARIN].</i></p> <p>JH mentions that from the survey we also see a clear preference for a mix of physical and digital meetings and although we had hoped to organize our next meeting in person, we are now planning a digital workshop on 25th November on “working from home” with one of our preferred suppliers Certa Advocaten.</p> <p>JH adds that 1 important request comes from the survey and that is to seek input from the members prior to submitting position papers or letters to Ministries etc., instead of informing the members afterwards of what has been stated. We deem this important and this has been discussed in the Executive Board and we see some pro’s (involvement/balanced approach) and con’s (time pressure) but this definitely something that will be picked up and worked out.</p> <p>There are no other questions from the meeting.</p> |            |
| <b>8</b>     | <b>AOB</b>  | <b>All</b> |
| <b>8.a</b>   | <p>Media strategy</p> <p>MF explains that we feel that we have to seek more media attention where it suits us and that in the past, we may have been a little too modest. By being ‘silent’ other voices become more dominant. And we can do so both actively (when it suits us) and passively (when media approaches us for our point of view). And the latter happens more and more as we have built up a fine network in the meantime with channels such as RTL, BNR Business Radio, Eén Vandaag, Op Eén, De Telegraaf to name a few. This also came in as feedback in the Membership Survey.</p>  |            |
| <b>8.b</b>   | <p>Harm Kreulen/KL reports on the discussions with the travel agent society within the APJC on reducing the remittance period in BSP from 2 weeks to 1 week in return for a certain loosening of financial restrictions towards the agents. We have already come along way coming from 4 weeks to 2 weeks. This improves the airlines’ cash-flow and reduces the risks for the airlines of agent going bankrupt. Targeted implementation date is 01 June 2021 and the agents in principle have agreed but we still need formalization.</p> <p>The current risk until June 2021 is relatively low as some agents may indeed go belly-up however sales are very low currently and so are outstanding ticket sales returns.</p> <p>Roberto Mamone/LH queries if the agents have then dropped their plea for a ticket fund to protect clients from airline bankruptcies and HK replies that this is not being discussed in this forum as it only deals with agent issues and not airline issues. The ANVR is pleading for this to levy a charge of € 0,25 per ticket to be put in a fund and seem to have found some political support for it. Although we are against it for various reasons, if it happens, we just have to abide by the laws.</p> <p>JH queries if ‘loosening financial criteria’ means lowering bank-guarantees and HK can reply that this is not the case but that e.g. an agent does not have to prove that they are profitable (as no one is in the current crisis), Details will be shared by HK and added to the minutes.</p>  |            |
| <b>8.c.d</b> | <p>Both were already addressed.</p> <p>There were no other AOB’s from the meeting.</p>  |            |
| <b>9</b>     | <b>Closing</b>  | <b>MF</b>  |
|              | <p>The Chairman thanks all 25 participants to the call and wishes everybody well in these challenging times and we continue to keep you informed. Please do not hesitate to contact us if you have any queries and we look forward to having a next meeting in person with a beer and bitterballen afterwards. Stay safe.</p> <p>The meeting is closed at 15:20 hrs.</p>  |            |

**Next BARIN Event:**

25 NOV 20      Workshop by Certa Advocaten on “working from home”.