

## SALARY PACKAGE

### THE ESSENTIALS

The annual salary negotiations began in December last year, concluding on 26<sup>th</sup> January following five meetings with Management.

#### Annual Salary Increase

The **global envelope for the annual raise remains at 2.5%**. Despite Amadeus' performance being the best ever recorded over the last years and an increase in inflation, this figure remains stuck at 2.5% as it has been for the last four years.

#### Road mileage compensation

Having already cancelled reimbursement of the motorway costs, **our management announced its intention to cancel the road mileage compensation** as well, thus cancelling this long standing agreement.

The reason given is that URSSAF are now requesting that social charges should be paid by on such compensation.

#### Social Advantages

- 2 days additional paid holiday for parents of handicapped children.
- A 3000€ voucher for 30 years in the company.
- The right to use sick child days for medical visits based on written justification.

#### New subjects opened for negotiation

- Yearly based partial time
- Early retirement plan – The CGT will contribute to ensure that this topic progresses to the advantage of the employees.



Points from the Sextant Accountants report of 12<sup>th</sup> February :




Amadeus is generating as much cash as Apple, Google and Microsoft reported to equivalent income.

#### How is this cash used?

On Dec. 14, the Board decided that this liquidity reserve accumulated over the last few years will now be used to **buy back 25 million shares over a 27 month period for a maximum of one billion euros** in order to sustain share price and benefit shareholders.



**Canteen :** The admission cost will be entirely covered by Amadeus (currently between 80 and 90%) however, on the downside, the price of admission for the consultants could sharply rise.


 In spite of exceptional financial results management has continued to press for cost reductions. This position has its repercussions on team budgets and staff advantages, for instance as follows:

**Take care of your employees and they will take care of your business. It's as simple as that.** -Richard Branson

- Non-secured staff company bonus,
- Suppression of the motorway cost reimbursement,
- Introduction of redundancy packages to encourage employees to leave.

Management has accepted to progress on certain issues but only on the condition of regressing on others. This new approach puts our long negotiated working conditions and social advantages at

risk for the future.

 The CGT pushes the message that loyal employees are assets not liabilities and supports positive decisions.

 The CGT is standing firm against the following points:

▶▶ Official statement of Management concerning the future cancellation of the road mileage compensation, replaced by a new mechanism that does not guarantee the same level of remuneration for a large number of Amadeus employees. We rather prefer to maintain the road mileage compensation and develop dedicated buses from the main cities as well as alternative transportation means.

▶▶ The non-negotiable 2.5% salary increase. After falling from 3.8% in 2011 with a guaranteed increase of at least 1.8% for everyone to 2.9% in 2014, the increase has stagnated at 2.5% for the last 4 years (not including promotions and adjustments). On the other hand, inflation has increased and therefore the real buying power of Amadeus employees in 2018 will decrease by 25 – 40% compared to previous years' figures. Whereas

- EBITDA has increased by 9.7% in 2017 et *Adjusted Profit* grew by 22.5%,
- Management demands every increasing engagement in a difficult context of perpetual re-organisation, and is going as far as to justify salary increases below inflation for employees reaching Within Target objectives.
- Buying power is low on Côte d'Azur.

▶▶ The increase in the canteen admission for the consultants means that in Self, Wonder food and Bel Air restaurants, consultants will support an increase from (last numbers mentioned by management on January 26, ***not definitive numbers***) 3.78€ to 6.22€, and in Bon Sens from 3.01€ to 4.51€. Whereas the increase in the admissions subsidy for the staff represents 0.26 to 0.49€ per meal.

**Also, we would like to draw attention to the points that were brought to the negotiating table and were refused by Management:**

- Increased PEE participation
- Distribution of 60 free shares for all staff (currently, only a limited number of people at level 12 and above receive free shares which amount to several millions of euros every year)
- Compensation for travel during non-working hours for levels 8 and 9, as that in place since 2011 for levels 6 and 7
- Provision of large screens for tele-workers

**To support our action, ask a question and keep in touch, write to [cgt-amadeus@orange.fr](mailto:cgt-amadeus@orange.fr)**

*Ne jetez pas cette lettre d'information, partagez plutôt l'information avec vos collègues.*