

Keeping you informed on our response to COVID-19



Update 19

March 22, 2020 All Flight Service team members

Latest from Jill Surdek

As you know, our industry is in the fight for its life. In response to the dramatic drop in travel, American has been forced to ground 450 planes and plans to cancel 55,000 flights in April. These cancellations are especially hard on our flight attendants. We're doing everything we can to soften the blow to you while also protecting our company's future. By offering VOLOs, VLOAs, extended leaves and voluntary early out programs, we're hoping to reduce staffing levels to prepare for a smaller operation. We've also banded together with other airlines, the APFA and other unions to ask Congress and the President to take action to address the challenges for airlines caused by COVID-19. Read the letter here from Doug Parker and labor leaders. U.S. airlines employ more than 700,000 people and support 10 million aviation-related jobs. It's important that Washington acts quickly to protect our industry. The next few days will be critical, and we will keep you updated on what's being done to help us through this crisis.

Updates

Voluntary early out and extended leave option deadline is now March 30

The company has now extended the deadline to apply for the voluntary early out program (VEOP) or voluntary extended leave of absence (VXLOA). **The deadline is now March 30 at 23:59 CT**. For more information or to apply, please visit the <u>Flight Service website</u>.

(Note: We're working to update the ballots and website to reflect the new deadline date.)

Face mask policy

In the last few days, we've seen an increase in questions from our team asking to wear face masks on the plane. There have been no changes to CDC recommendations regarding face masks for crews. They still do not consider it an effective protection again the virus. Health experts say the single most effective way to protect yourself against COVID-19 is to wash your hands with soap and water, and avoid touching your mouth, nose, eyes and face. Face masks are impactful when worn by sick people. Nonetheless, some of you have said that it would make you feel safer and comfortable to wear a mask, so we will now permit this.

Starting today, flight attendants may wear face masks during all phases of flight, regardless of destination. Having said that, you've likely seen in the news there is a worldwide shortage of masks. That's why we do not have inventory to supply face masks for each flight attendant. As a result, if you'd like to wear a mask, you'll need to supply your own – and it should be a neutral color.

We've also seen reports of entire supplies of face masks being stripped from the kits onboard, which is creating a shortage. <u>Please do not remove masks from the Grab and Go or Ancillary</u>* (ANC) kits unless you are taking care of a sick customer. Due to the worldwide shortage of masks, we must conserve the ones supplied on the aircraft for confirmed medical emergencies. If you remove masks from these kits, please inform the captain by using a Cabin Discrepancy Worksheet (CDW), and fill out a CERS report within 24 hours.

* Note: The Ancillary kit may only be opened after contacting the physician on-call (POC).

Why don't we remove the Hard 40 restriction?

I've heard from many flight attendants who'd like us to remove Hard 40 restrictions during this crisis. This is something we considered, however, as the number of flight cancellations continues to grow, we believe that relaxing Hard 40 is no longer in the best interest of all flight attendants. With flight attendant block hours down about 50%, the best option for flight attendants who don't wish to fly is to take a VLOA, VOLO, VXLOA, or VEOP. These voluntary options have been widely available, and we even offered VLOAs to Reserves in April. These options help increase line averages, which is a good thing, considering the number of flight cancellations in the foreseeable future. For those who have a current line and don't want to fly based on their personal situation, FSMs are available to help you drop trips (using POs) below the 40-hour threshold if needed.

Can we receive vacation buy back payouts earlier than June?

I've received suggestions from some of you to pull forward vacation buyback payouts given the recent impact on flight attendant hours and pay. We looked into this but after discussing with other groups, we are not in a financial position to do so. As you have probably heard, we are losing more bookings than we are taking in, so the company is looking for ways to conserve cash. Because the vacation buyback is expected to cost about \$25 million, we have to stay on the planned payout schedule in order to manage our immediate cash balance. This means payments will be made as originally planned in mid-June.

What if I live in an area where non-essential businesses have closed?

In recent days, several governors and mayors issued executive orders that require non-essential businesses to close and restrict social gatherings. We've seen this happen in states and municipalities with flight attendant bases -- including California, New York, , Pennsylvania, and St. Louis. While some of these orders affect certain businesses within airports, they do not apply to airlines. Our industry is considered essential. American team members play a vital role and are permitted to work.

Keeping our airline moving with cargo

For the first time since 1984, American operated its first cargo-only flight last Friday. The Boeing 777-300 flew from DFW to Frankfurt (FRA) carrying medical supplies and mail for active duty members of the U.S. military. Keep in mind, all of our aircraft carry cargo, and this is an important source of revenue. In recent days, our flights have carried COVID-19 testing kits, medical equipment and other supplies that support the communities we serve during this time of need. Read more on Jetnet.

The next few weeks or even months ahead will likely be difficult. You have my word that I'm going to be as transparent as possible. I will also try to share good news, customer compliments and examples of how American's team members are working toward a better future.

Thanks for checking in today.

Jill Surdek Senior Vice President, Flight Service

Flight Service Communications and Engagement