Labour Relations

I. Introduction

Wherever it operates, the Company wishes to grow its economic success in consideration of common principles and standards consistent with International Labour Organisation (ILO) conventions, the OECD Guidelines for Multinational Enterprises and the principles laid down by the UN Global Compact, which the Company has adopted. The principles are in compliance with the Airbus Code of Conduct and with the International Framework Agreement signed in 2005.

II. Governance

In the International Framework Agreement, the Company reafirms its willingness to respect the regulation regarding fundamental human rights, equal opportunities, free choice of employment, as well as prohibition of child labour and respect and ensuring the conditions for industrial dialogue.

The Company in particular intends, via its agreements, to respect the disposition of the following ILO conventions: numbers 111 (discrimination – employee and occupation), 100 (equal remuneration), 135 (workers’ representatives), 29 (forced labour), 105 (abolition of forced labour), 182 (child labour), 138 (minimum age), 87 (freedom of association and protection of the right to organise) and 98 (right to organise and collective bargaining).

The head of each business is responsible for ensuring compliance with these principles.

The provisions of this framework agreement define the Company’s standards to be applied wherever Airbus operates provided they are not in contravention of local law, insofar as more favourable conditions do not exist already. Monitoring will be defined to ensure that the provisions of this agreement are not breached wherever Airbus operates, insofar as more favourable conditions do not exist already.

The Company is in continuous dialogue with social partners on its sites in Europe, principally through meetings with management at the European Committee level but also through meetings and negotiations at national or local level. Sites outside Europe are covered by Airbus’ ILA framing the social dialogue and social culture in line with local labour legislation, culture and practices of respective countries and by the newly installed Airbus Global Forum – see below.

Regular social dialogue is ensured as per ILO requirements and local legislation thanks to Airbus’ Societa Europea Work Council (SEWC) agreement in 2015 and reshaped in 2018.

Industrial relations and social dialogue are fully part of Airbus’ DNA and, therefore, its continuous evolution and improvement are embedded in the Company’s Human Resources strategy supporting Airbus’ business challenges. Strengthening the role of industrial relations and social dialogue is an enabler of shaping the future of work through workplace cooperation, collective bargaining by enhancing cooperation between employees’ representatives and top management.

III. Initiatives

Airbus joined the Global Deal for Decent Work and Inclusive Growth initiative (“Global Deal”). The engagement letter was signed conjointly by Airbus’ Chief HR Officer, Head of Group Social Policies & Industrial Relations and Head of Responsibility & Sustainability. Developed in cooperation with the ILO and the OECD, the Global Deal is a multi-stakeholders’ partnership that seeks to address two of the greatest challenges of our time: to reduce high and rising inequalities in opportunities and outcomes and to restore fading trust in the ability of governments and institutions to make economic growth work for all against a backdrop of rapid changes in the world of work. The Global Deal’s founding principles aim at encouraging action through voluntary commitments, increasing knowledge base about social dialogue and sound industrial relations and providing platforms for sharing experiences and best practices. Airbus’ active representation demonstrates that social dialogue’s globalisation is rooted in Airbus’ R&S strategy and commitments reflecting Airbus being an employer of choice.

In line with its commitments, the Company demonstrated its engagement through the following significant initiatives in 2019:

- in June, the first Airbus Global Forum (AGF) was held chaired by Airbus Chief HR Officer in presence of Airbus European Select Committee and Airbus Staff Representatives from Airbus main operating regions: Africa/Middle East, Asia Pacific, India, China, Latin America and North America. The AGF was launched with the aim of piloting constructive exchange of information with staff representatives at a global level, in line with responsibility and sustainability policies to further engage the social dialogue towards Company globalisation;
- in Spain and in France professional elections took place. For the first time, all French Airbus companies have voted between November and December;
- the main French entities of Airbus have signed beginning of March a group agreement with four representative unions (FO, CFE-CGC, CFTC and CFDT) about Employment and Career Paths Management. This new agreement is part of the Airbus “Future of Social Dialog” approach, which consists, in particular, of coordinating and simplifying the implementation of the new social norms that come out of most of the French government reforms (Loi “Avenir professionnel”). Employment and Careers Paths Management incorporates all processes and tools, in association with economic, technological, social and demographic changes and with respect to Airbus’ strategy, which enables:
  - for the Company to improve its ability to anticipate its future competences and employment requirements, and to meet these by putting in place appropriate actions and mechanisms,
  - for employees to better manage their individual career paths and develop their competences and employability.
- New Gender Neutral Family Leave Policies and improved suite of family leave policies were implemented on 1 June 2019 in the UK. Airbus believes that these policies provide equal opportunities by ensuring they are accessible and equitable to all. Through thorough benchmarking, Airbus is confident that its policies compare well to other organisations and that Airbus is taking a lead in supporting cultural change. The aim is to help improve recruitment and retention and contribute towards closing the gender pay gap. The policies have been well received by employees so far and, in particular, Airbus has seen an increased interest in requests for information about Shared Parental Leave;
- programme for “Continuous Development for social partners” with social partners started. The implementation of modernised career management arrangements for
mandated representatives to strengthen the attractiveness of
union careers, enhance experience, sustain the link with
business competencies and promote return to work:
– training courses, access to the Airbus Leadership
University,
– dedicated budgets,
– GEPP (job description database),
– “Anti-discrimination” measures, wage development
guarantees;
– new union communication terms adapted to our increasingly
digitalised world (i.e. relaxation of the use of e-mail towards
members, more visibility on the Airbus Intranet, establishment
of “communities” shared with Management during main
negotiations). Strengthening the rules on confidentiality and
data protection and complete overhaul of the use of the
Airbus database to share compulsory social and economic
information.

IV. Future Outlook
In France, concrete and significant changes will come from the
new metallurgy branch agreement that should be deployed in
2020. It will give Airbus the opportunity to re-negotiate all its
company agreements, creating a “new social contract”. This
broad re-negotiation will also help us ensure the deployment
of our HR strategy especially on New Remuneration Scheme.
Anticipating this coming negotiation, a preliminary phase is
currently ongoing to review our existing agreements and define
our target.

In Spain, a three-year cross-Divisional intercompany agreement
(“CBA”) regulates social policies and has to be renewed for the
period 2020-2022. For Airbus’ commercial aircraft activities in
Germany, the “Collective Agreement for the Future” will expire
end of 2020. Main objectives of the future negotiation for both
new agreements are:
– competitiveness (cost contention + flexibility): in order to
improve our competitiveness, we should not increase any
labour cost. In relation to the flexibility that is a key topic to
react against picks and deeps by the use of proper temporary
contracts and new ways of working;
– proximity: we need to be a customer-centric organisation that
meets Business needs. CBA should be a valuable tool and
not an obstacle for the Business development;
– empowerment of Managers: managers should be empowered
in order to give them flexibility to drive their business. Provide
managers a framework to take decisions that fit with their own
reality. Try to remove blocks points from the CBA that limit the
decision capability of managers.

Human Rights
The Company has a zero tolerance approach to all forms
of human rights abuse, including modern slavery, within its
business, its operations and within its supply chain.

During 2019, the Company undertook a human rights impact
and gap analysis across its global business to understand more
fully its positive and potential negative human rights impacts.
This analysis, conducted with the help of external consultants,
considered current and upcoming regulatory requirements and
international best practice as well as growing human rights
requirements linked to the UN Guiding Principles for Business
and Human Rights (UNGPs) within standards such as the UN
Global Compact.

The analysis also included an initial identification of Airbus’
salient areas of potential human rights risks (see box with
impacted groups in parenthesis). This identification was
based on benchmarking of industry peers and companies in
similar industries and analysis of stakeholder expectations. As
they are subject to change over time, Airbus is committed to
review these issue areas on a regular basis. Specific action
plans based on these identified potential risks, as well as
key recommendations from the analysis, are currently under
consideration.

During 2019, Airbus started to identify potential KPIs related to
human rights which could be used to measure progress. The
following annual KPIs have been identified and will be reviewed
on a regular basis:
– number (or %) of assessments of Airbus’ business relevant
external risk suppliers (target to be determined in 2020);
– number of due-diligence assessments carried out on
Airbus sites, including subsidiaries and affiliates (target to
be determined in 2020);
– number of human rights concerns linked to modern slavery/
fundamental freedoms reported via OpenLine and escalated
for further investigation (0 in 2019);
– number of participants who have completed e-learning
modules on human rights and modern slavery (3,400
completed in 2019 – 8,372 in total to date).

UK Modern Slavery Act:
As part of its obligations under the UK Modern Slavery Act
(MSA), the Company published its third statement in recognition
of the global aim of this legislation. Human Rights, including
modern slavery, continues to be a focus area for Airbus and
during 2019 we continued the roll-out of our e-learning modules
focused on helping employees identify the signs of human rights
abuse and modern slavery, including raising awareness of what
to do if they have concerns.

At the end of 2019, 8,372 participants had completed this
e-learning, which is available in four languages and forms
part of the Ethics and Compliance catalogue of learning. The
Company is also committed to promote awareness through
internal communication initiatives and awareness sessions.
A link to Airbus’ latest Modern Slavery Statement can be found
on the front page of the Airbus website.