

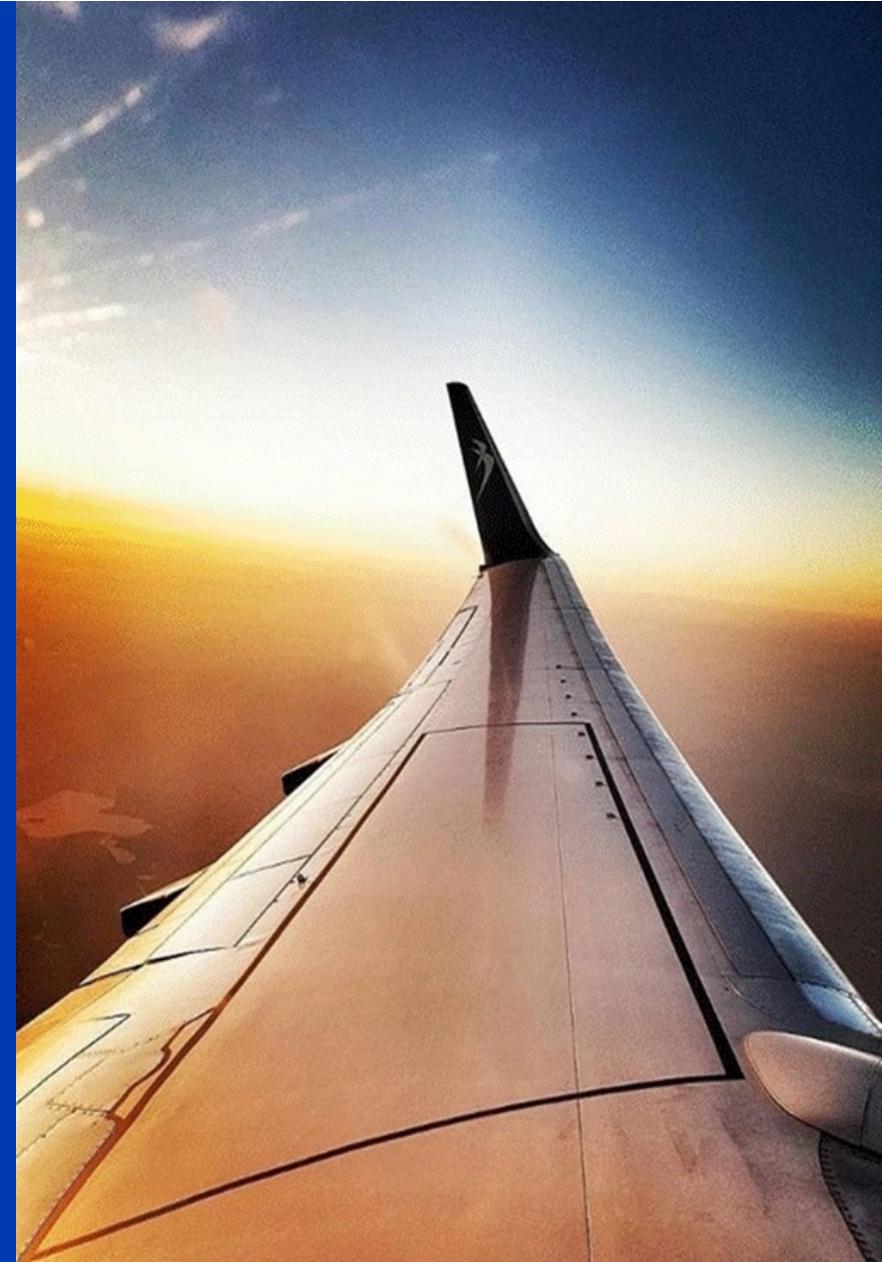
TRAN Committee Hearing

Brussels, Dec. 3rd 2019

The future of low cost air travel in Europe

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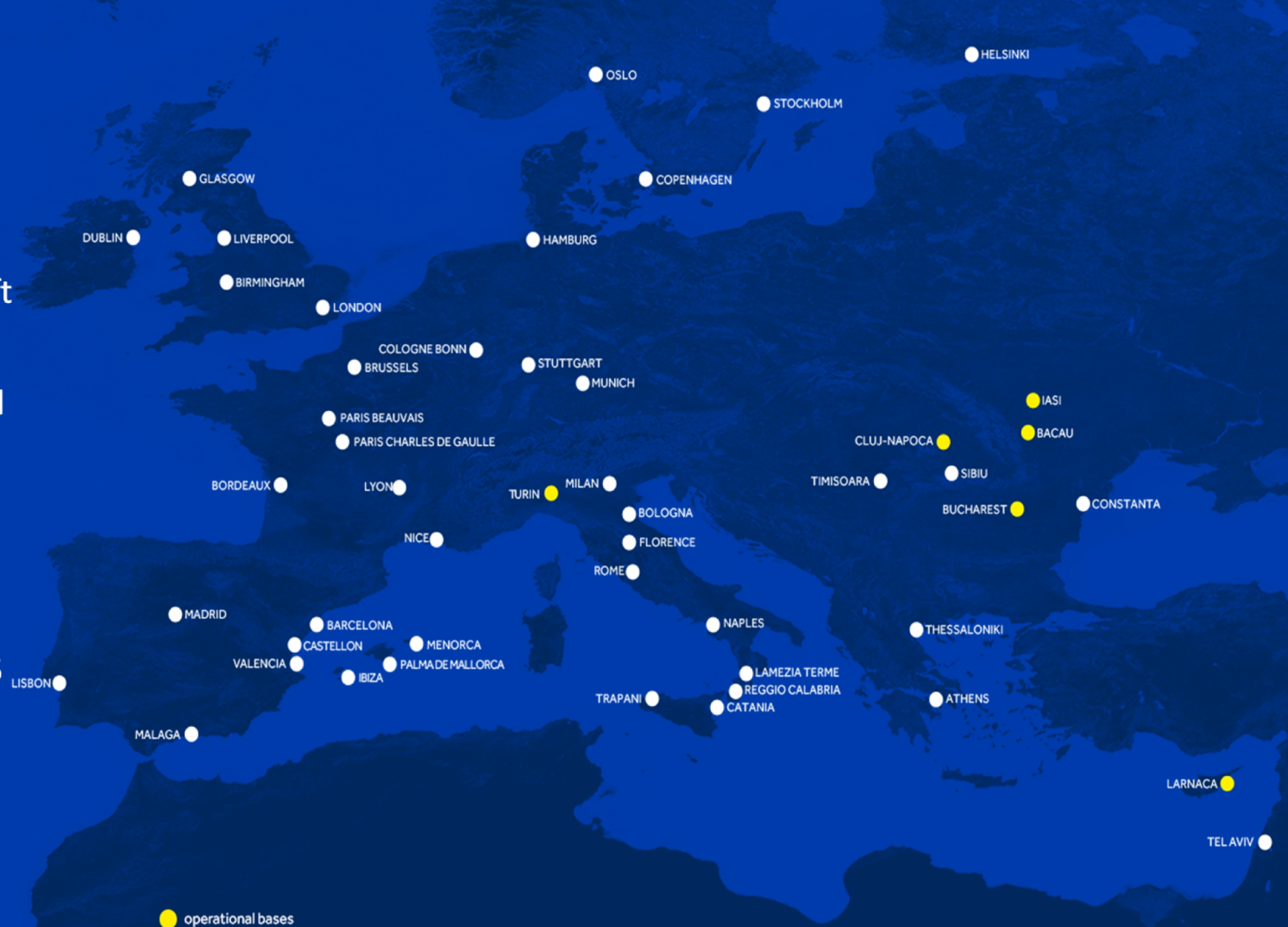
CEO Blue Air



KEY FACTS

In 2019 Blue Air

- is a proud member of IATA
- operates 24 Boeing 737 aircraft
- on 100 routes in 16 countries, with an average OTP 82% of all flights
- gives 1.200 aviation professionals a job
- provides safe, reliable, affordable service to **approx. 5 million passengers** annually
- making it the No 1 Romanian airline and No. 2 in Eastern Europe.



At Blue Air, we believe that by making air travel affordable we contribute to:

- Democracy, peace and security
- Prosperity and economic growth
- while also ensuring protection of our environment

We carry 'The face of new Romania' mantle with pride. And we are excited to convey those who have been part of the positive changes over the last couple of decades abroad as proud ambassadors of a new Europe.

Low cost air traffic liberates people from the constraints of geography, distance and time

- Opens a new and growing market for people that have never travelled before
 - as they are now travelling, this is connecting and integrating Europe
 - creates opportunities for greater understanding among cultures
 - facilitates interethnic integration
 - More critical now than ever given the migration pressures
 - enables people to lead better lives, and makes the world a better place.
- Enables creation of a new generation of young Europeans committed to human rights, democracy, peace and sustainability

Affordable air travel creates a positive loop for economic prosperity

- Facilitates labour mobility
 - competitiveness depends on mobility – large projects need mobility
- Expands business travel, notably for SMEs
 - A more connected business world generates more investment and employment opportunities, interregional linkages, investment is spurred to area
- Accelerates local economy growth and regional development, territorial cohesion
 - Linking remote areas to the core
 - Connect secondary airports – direct job creation
- Enables research, innovation and educational mobility – critical for Erasmus exchanges
- Allows leisure and cultural tourism to expand and take new forms

LCCs provide an immediate and more sustainable option for travel than rail or road in many European regions...

- Level of emissions by passenger are much lower than for travel by car (while railway infrastructure is old and obsolete) and
- Air travel avoids natural limitations brought by infrastructure and geography:
 - less infrastructure needed, with less consumption of steel and energy to produce it, than most other “greener” means of transport
 - less impact on preserving biodiversity , not affecting minimal vital habitats needed by other species
 - less traffic - generated pollution , with
 - significant better track record of safety.

... while also embarking on significant projects to preserve this advantage going further

Main commitments:

- Ensure the most efficient usage of the capacity put in place
- Neutralize our carbon footprint
- Use more efficient aircraft and ensure early adoption of renewable fuels when available

How people of Blue Air make it happen every day

1. Put in place strong analytical capabilities to ensure that we have at least 90% load factor on all our flights
2. Project in progress to replace the older generation aircraft by end of 2020
3. Joint effort of digital team and pilots to optimize fuel consumption for each flight
4. Technology fluency initiative to digitalize our operations and passenger journey

Given our target market and business model, LCCs are a natural partner for European stakeholders to:

1. Make transport greener NOW
2. Promote inclusion NOW
3. Reduce economic disparities and accelerate cohesion NOW
4. Create together the basis for affordable sustainable travel
 - without limiting current acquis in terms of people's ability to work and travel freely and comfortably, and
 - without further affecting biodiversity and climate.

ROOTED IN AVIATION.

Inspired by the human passion

