2020 Annual Shareholder Meeting
June 25, 2020
Calin Rovinescu
President and Chief Executive Officer
2009-2019

- Decade of growth
- Job creation
- Prosperity
- Culture change
- Stock market performance
2019 HIGHLIGHTS

- Strong financial results
- 87% share gain
- Skytrax: Best Airline in North America
- The Globe and Mail reported Air Canada was best performing stock on the TSX
- Arrival of first Airbus A220
COVID-19
COVID-19

- Aeronautics Act
- Quarantine Act
- Canada-U.S. border restrictions
- Inter-provincial restrictions
- Government actively discouraging travel
Broad brush, blanket travel prohibitions are inhibiting economic recovery.
HIGH FIXED COST STRUCTURE

- High capital expenditure
- Large unionized workforces

$22M PER DAY NET CASH BURN
COVID-19 RAPID RESPONSE

- Stopped service to China
- Limited spending and conserved cash
- Reduced capacity by 85%-95%
- Removed 79 aircraft permanently from fleet
LIQUIDITY

Thanks to years of prudent capital allocation, we entered the crisis with access to significant liquidity and lines of credit.

- Bolstered cash position by more than $5.5B
Impact to employees: 20,000 jobs lost
BIOSAFETY

- Hospital grade PPE
- Mandatory face coverings
- Temperature checks
- Increased personal space
- Personal hygiene kits
- Electrostatic sprayers in cabins
OTHER BIOSAFETY MEASURES

- Flexible booking policies
- Touchless processes
- Limited personal interactions onboard
- HEPA filters
ONGOING TRANSFORMATION

- New reservation system
- Loyalty program
- Repatriated more than 300,000 Canadians
- Corporate social responsibility
SUSTAINED ACTIVITIES

- Converted wide-bodies
- Over 1,600 cargo-only flights since March
HEEDED THE CALL OF ELECTED OFFICIALS

- Respected social distancing, quarantine, isolations and more
  • Air Canada was virtually shut down
RESPONSIBLE ACTIONS

- New bio-health and consistent safety guidelines
ECONOMIC CONTRIBUTION

- Air Canada represents about $50B in economic output to Canada
- Employed 38,000 + 6,000 at regional airlines
- Support 34,000 retirees and their families
- Supported 190,000 jobs in spin-off industries
LIFT RESTRICTIONS

Safely resume travel:
- Safe corridors (air bridges)
- Science-based approaches
Dear Prime Minister and Canadian Premiers,

Canada has a unique role in our hemisphere and has been that beacon of hope in times of need. Our tourism industry is a staple of the economy and has brought billions of dollars into the country from around the world. The COVID-19 pandemic has hit our industry hard, and we are calling for urgent action to save our tourism sector.

We are excited to see the progress made in the fight against COVID-19, but we understand that not everyone is in agreement on how to safely and effectively move forward. We urge the federal government to work closely with the provinces to ensure that travel restrictions are lifted in a coordinated manner to avoid confusion and travel uncertainty.

In our recent Open Letter to Prime Minister Trudeau, we asked for a clear plan to lift travel restrictions in a phased and coordinated manner. We understand that this is a complex issue, but we need a clear path forward to restart our industry.

We are asking for the following:

1. A clear plan to lift travel restrictions in a phased and coordinated manner.
2. Support for the tourism industry, including financial assistance and training programs.
3. A focus on international markets, particularly those in Asia and Europe.
4. Collaboration with provincial governments to ensure a coordinated approach.

Thank you for your attention to this matter. We look forward to hearing from you soon.

Sincerely,

[Your Name]

[Your Title]

Air Canada
SMART REGULATION

- Government needs to consider alternatives
- Apply objective, evidence-based measures
SMART REGULATION

Aviation and the travel, hospitality and tourism industries depend on finding viable alternatives.
The entire Canadian economy depends on it.
Thank you
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