



# #WEARELUXAIR

ANNUAL REPORT 2020



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# LUXAIR

LUXAIR S.A.

# 1



CHAPTER ONE

# BOARD OF DIRECTORS

Giovanni Giallombardo

Chairman of the Board of Directors



Françoise Thoma

BANQUE ET CAISSE D'EPARGNE DE L'ETAT,  
Chief Executive Officer  
Vice-Chairman

Guy Rosseljong

BANQUE ET CAISSE D'EPARGNE DE L'ETAT,  
Deputy Chief Executive Officer  
Member

Helder De Oliveira Borges

Luxair personnel representative  
Member

Marc Reiter

MINISTRY OF MOBILITY AND PUBLIC WORKS,  
Attaché, Chargé de Direction  
Government Commissioner for Luxair S.A.

Romolo Bardin

DELFIN S.à.r.l.,  
Member of the Board of Directors, Chief Executive  
Officer and Chief Financial Officer  
Member

Jean-Louis Thill

MINISTRY OF FOREIGN AND EUROPEAN AFFAIRS,  
Ambassador, Director of European affairs and  
International economic relations  
Member

Patrick Streff

Luxair personnel representative  
Member

Marcel Leyers

BANQUE INTERNATIONALE LUXEMBOURG S.A.,  
Chief Executive Officer, Chairman of the Executive  
Committee  
Member

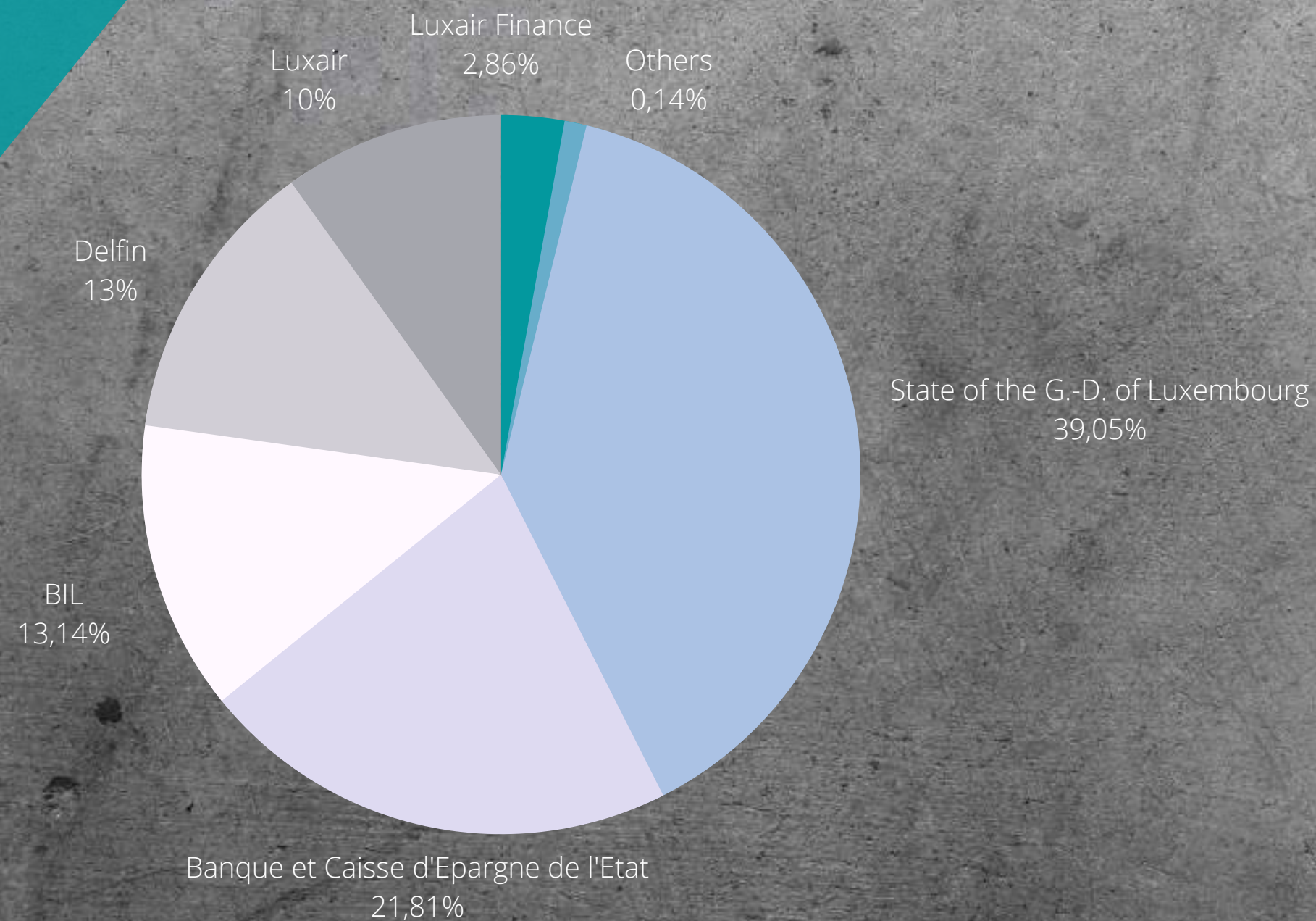
Tom Weisgerber

MINISTRY OF MOBILITY AND PUBLIC WORKS,  
First Government Advisor  
Public works department  
Member

Stéphanie Olinger

Luxair personnel representative  
Member

# LUXAIR S.A. SHAREHOLDING



## MAIN COMPANIES IN WHICH LUXAIR HOLDS A PARTICIPATION

Cargolux Airlines	35,1%
Luxfuel	40%
Euro Moselle Loisirs	35%
Objectif Lune	35%
Master Lease Co S.A.	35,1%

# CHAIRMAN'S LETTER

GIOVANNI GIALLOMBARDO



# LUXAIR

## EXECUTIVE COMMITTEE

# 2



# CEO'S LETTER

GILLES FEITH





# EXECUTIVE COMMITTEE



^  
**Daniel Colling**

Accountable Manager

\*From 1 July 2020

^  
**Gilles Feith**

CEO

\*From 1 June 2020

^  
**Alberto Kunkel**

Executive Vice-President

Tour Operating

^  
**Thomas Fischer**

Commercial Director

\*From 1 July 2020

Adrien Ney  
CEO  
\*Until 31 May 2020

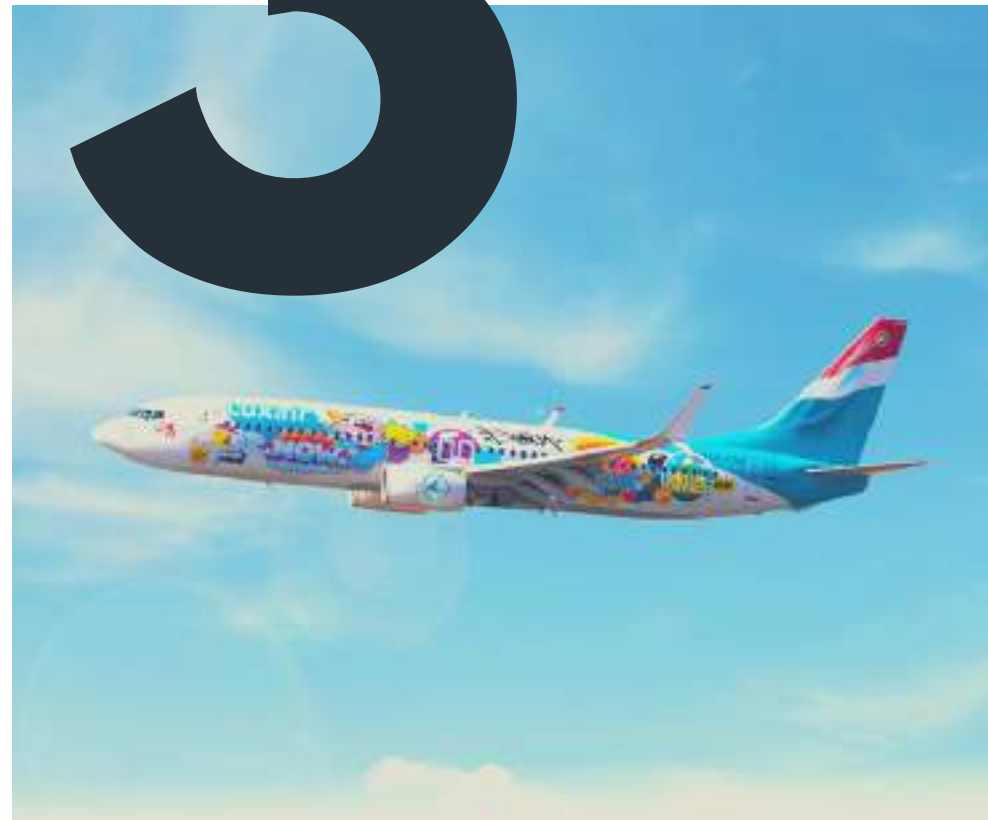
Laurent Jossart  
Executive Vice-President Airline  
\*Until 30 June 2020

Marc Schroeder  
Executive Vice-President Finance  
\*Until 31 January 2021

# LUXAIR

## OVERVIEW 2020

# 3



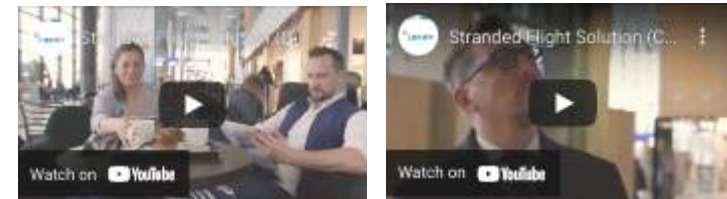
# OVERVIEW 2020

## ADAPTING TO A NEW CONTEXT

**JANUARY**

**FOIRE VAKANZ** significant sales increase for Luxair and LuxairTours

**STRANDED FLIGHT SOLUTION** a new passenger assistance solution



Double click on the video to play

**FEBRUARY**

**MARCH**

**BEGINNING OF LOCKDOWN** due to Covid-19 pandemic

**LUXAIR & LUXAIRTOURS REPATRIATION FLIGHTS** approx. 5000 passengers repatriated to Luxembourg

**LUXAIR (24/03) & LUXAIRTOURS (23/03) OPERATIONS SUSPENSION**

**APRIL**

**COVID-19 TRAINING** courses for cabin crews, simulator training and Touch & Go exercises

**LUXAIRCARGO PLATINUM AWARD** by Air Cargo World



**TRAVEL SAFE & CLEAN CONCEPT** our passenger's safety is our priority

**MAY**

**RESUMING AIRLINES OPERATIONS (29/05)** flights to Stockholm, Munich & Hamburg

01/06 GILLES FEITH started as new Luxair CEO

RESUMING LUXAIRTOURS OPERATIONS (13/06) Faro

LUXICLUB 10 YEAR ANNIVERSARY 1st club opening 14/06/2010

LUXICLUB REOPENING Bourgas, Varna, Mallorca, Heraklion & Malaga

# JUNE

## JULY

IMPROVEMENT OF DIGITAL EXPERIENCE flight schedule, ancillary services catalogue, LuxairTours confirmation voucher & multiple rooms booking

TRIPADVISOR AWARD traveller's choice regional airline Europe

SUMO X LUXAIR PART 1 #FlyingIsAnArt on Boeing 737-800 LX-LGU



KIDS CORNER children are in good company

## SEPTEMBER

10/09 PROJECT OF THE YEAR AWARD Business Class Menu rewarded

17/09 LUXAIRSERVICES CERTIFIED ISAGO 2020

LUXAIRSERVICES GROUNDSTAR REAL TIME dynamic resource management tool

15/10 SUMO X LUXAIR PART 2 #FlyingIsAnArt on Q400 LX-LQA



## NOVEMBER

13/11 LUXAIR TRAVEL STORE opening of a travel agency @Luxembourg airport

25/11 LUXAIR STANDS UP Awareness raising campaign in support of the Association "Femmes en détresse"

LUXAIR x ROCKHAL Travelling in the bold and uplifting universe of EDSUN

9/12 TOPBRAND.LU AWARD FOR LUXAIRTOURS "Tour Operators-Travel Agencies"

LAUNCH OF THE LUXAIR GIFT CARD Unleashing the perfect gift

FASHION IS GAINING ALTITUDE Luxair's first collections

CERTIFICATION ISO 9001:2015 confirmed for LuxairTours

## DECEMBER



# TRAVEL SAFE & CLEAN

One of the major impacts of the pandemic in 2020 was the need to modify the service and to adapt it to the new regulations. Luxair complies with all the EASA (European Union Aviation Safety Agency) and World Health Organization (WHO) guidelines. Based on those guidelines, Luxair & LuxairTours have implemented special measures to guarantee their passengers the highest level of safety when travelling. These health measures have been deployed all along the customer journey, from the moment customers arrive at the airport until they leave the plane.

The planes were carefully cleaned and systematically disinfected using efficient methods, such as disinfectant fogging machines within the cabin and all flight crews have attended a special Covid-19 training course.

All the passengers were provided with their own health kit, including a surgical mask, a hand sanitiser and a disinfecting wipe while the in-flight meal service has been adapted according to the EASA guideline.



# 4

# REINVENTING LUXAIR



# REINVENTING LUXAIR

The unprecedented situation of the pandemic, confining people at home for many months, helped sharpen the brand purpose of the company, and its mission towards the communities it serves.

Luxair believes there's value in connecting people and their emotions, facilitating trades and easing the exchanges between cultures. Enabling this exchange is our contribution to Luxair's environment: Luxembourg, the Greater Region, and more.

The way Luxair wants this to happen is by supporting the region's environment and cultural wealth, by successfully dealing with the expectations of younger generations, by minimizing the impact on environment, by using our voice to spread major social messages such as the importance of the inclusion and the condemnation of any violence and, last but not the least, through a remarkable customer experience.

With this in mind, Luxair decided to respond to the 2020 situation with a major injection of positiveness, through a pounding set of unconventional activities , all of them linked by the will to prove the vitality of a brand that is vibrant and selfconfident enough to go beyond the boundaries of its industry.

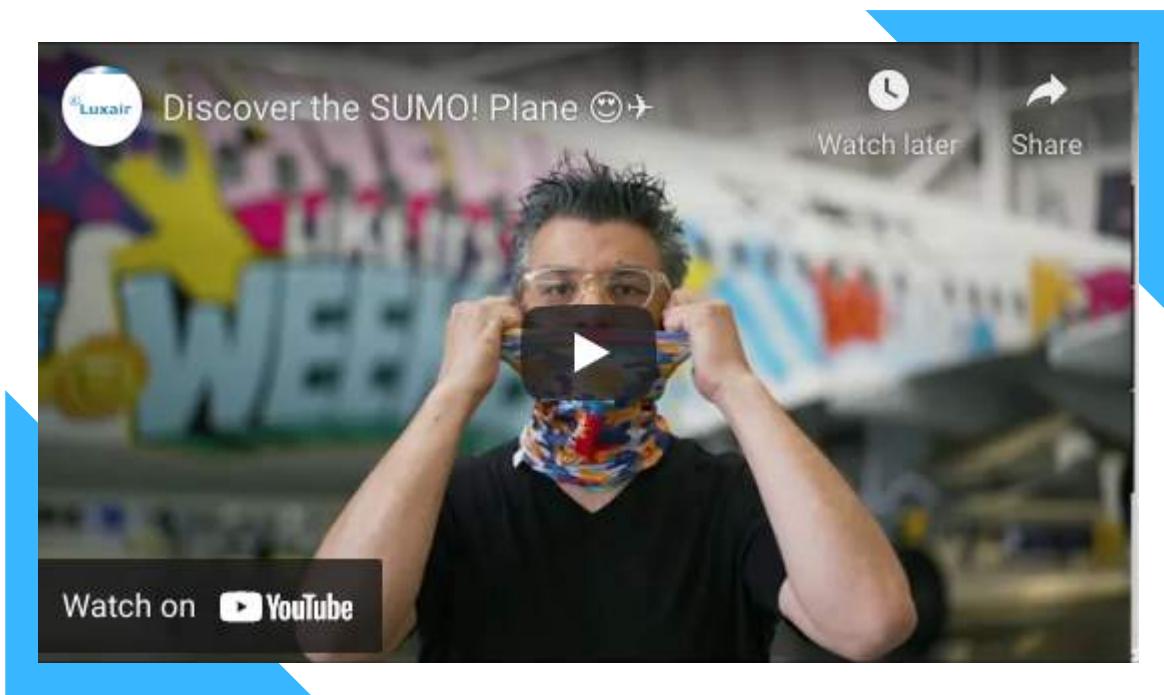


# Luxair

# #FLYINGISANART

On 25 July, a beautiful surprise was revealed by Luxair and SUMO, one of the most beloved Luxembourg street artist, to the region's skies. The Boeing 737-800 LX-LGU represented the first Luxembourgish flying masterpiece.

Luxair wanted to offer a unique travel experience to its passengers. Combining art and travel, two perfectly matching universes. And a positive message to be spread across all Europe after so many hard moments the community had to face. Few months later, on 15 October, a Q400 De Haviland LX-LQA, dressed with the Sumo livery, completed the spectrum of the project



*"It was an exciting collaboration. We all worked around the clock, taking care of every detail. The last time I felt so enthusiastic was when I was preparing for the grand opening of my art gallery. It was a pleasure and a privilege to work with such a great team, who did everything possible to make every idea a reality. This is by far one of the most challenging and enjoyable projects I have ever worked on. I hope that I was able to pass on my motivation and joy of travelling. I can never thank Luxair enough for giving me the opportunity to exhibit my art on a passenger plane."*

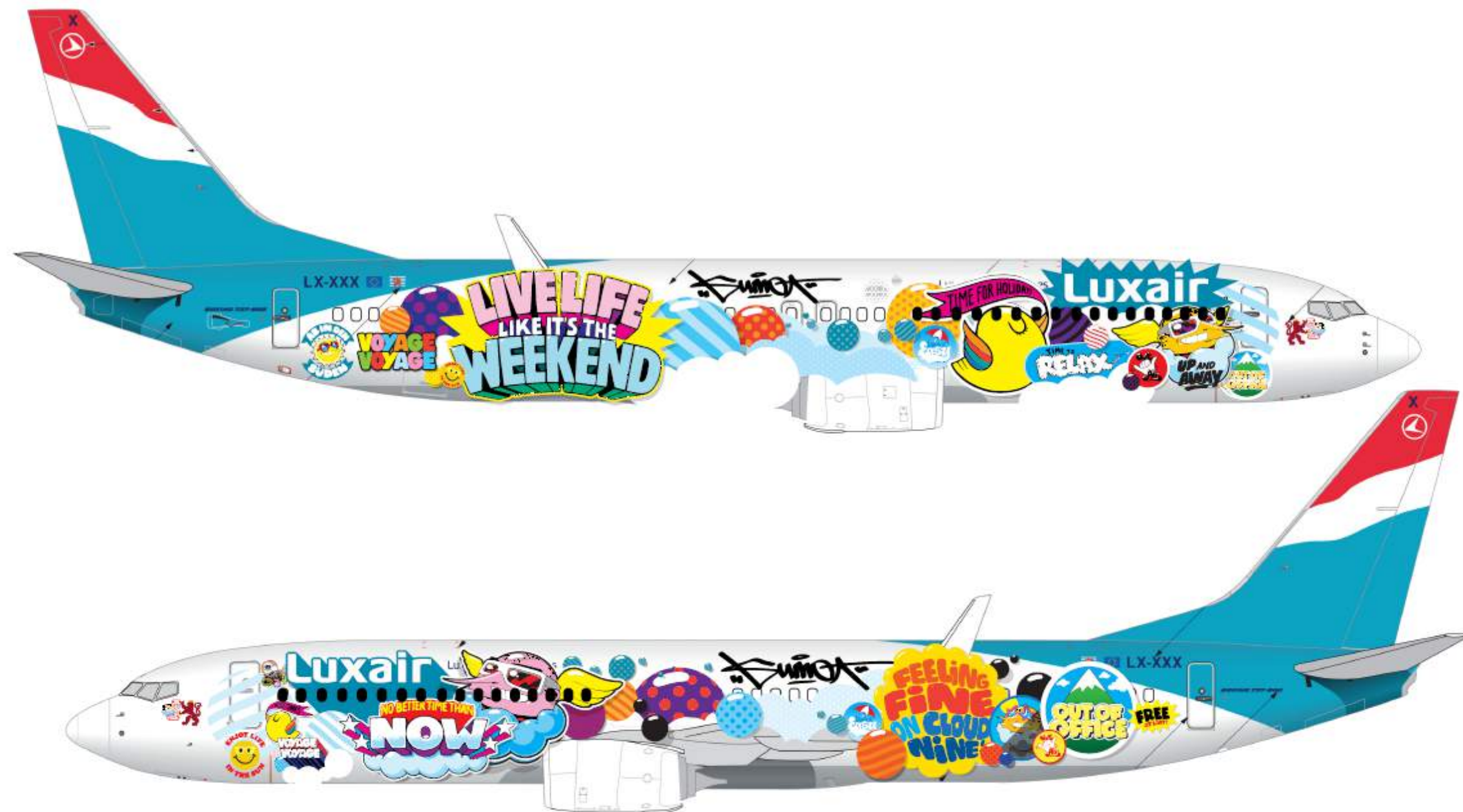
Christian Pearson - Sumo (2020)





#FLYINGISANART

# BOEING 737-800 LX-LGU "SUMO AIRCRAFT"



# SUMO BEER BY SIMON

**Reinventing Luxair also means bringing the brand out of its comfort zone to new horizons.**

In collaboration with local, fresh realities, Luxair partnered with Brasserie Simon, one of the historical breweries of the Grand Duchy, to create a unique experience in taste and colours!

Starting in November 2020, passengers were able to enjoy a special and limited edition of Simon beer on board all Luxair flights and in the Luxair Business Lounge at Luxembourg airport.

This collaboration also marked a new step in the #FlyingIsAnArt experience with the Luxembourg artist Sumo, who brought his artistic touch to the beer's packaging.



# VOL(T)AGE & STITCH

Thanks to the qualities of its service, Luxair always had a place in the heart of its customers. A fashionable brand should be brave enough to go beyond the boundaries of aviation or tour operating. That is why Luxair decided, on December 2020, to land in the fashion industry, by launching two capsule collections with two well established young luxembourgish realities: the classy Vol(t)age and the streetwear Stitch. Two local realities eager to inject some Luxair flavoured style among their young customers, once again witnessing the vitality of the brand.



# LUXAIR STANDS UP

Violences on women is one of the most despicable yet not sufficiently known phenomena. Together with Femmes en détresse asbl, Luxair decided to stand up and contribute to the awareness of this major topic

In reference to the International Day for the Elimination of Violence against Women on 25 November 2020, Luxair joins the movement initiated by the United Nations World Organization by painting, for the first time in its history, an orange logo on the fuselage of its De Havilland Q400 LX-LGE.

This external communication activity was coupled with an internal one, to insist on the values Luxair is committed to.

Andrée Birnbaum, Executive Director of Femmes en détresse, says that *"the success of our actions to prevent violence against women and girls depends on the visibility given to them. Violence against women and girls is a global issue for which Luxair wanted to raise awareness among its staff, passengers and communities. This unexpected and creative support will help us considerably increase the spread of our messages"*.



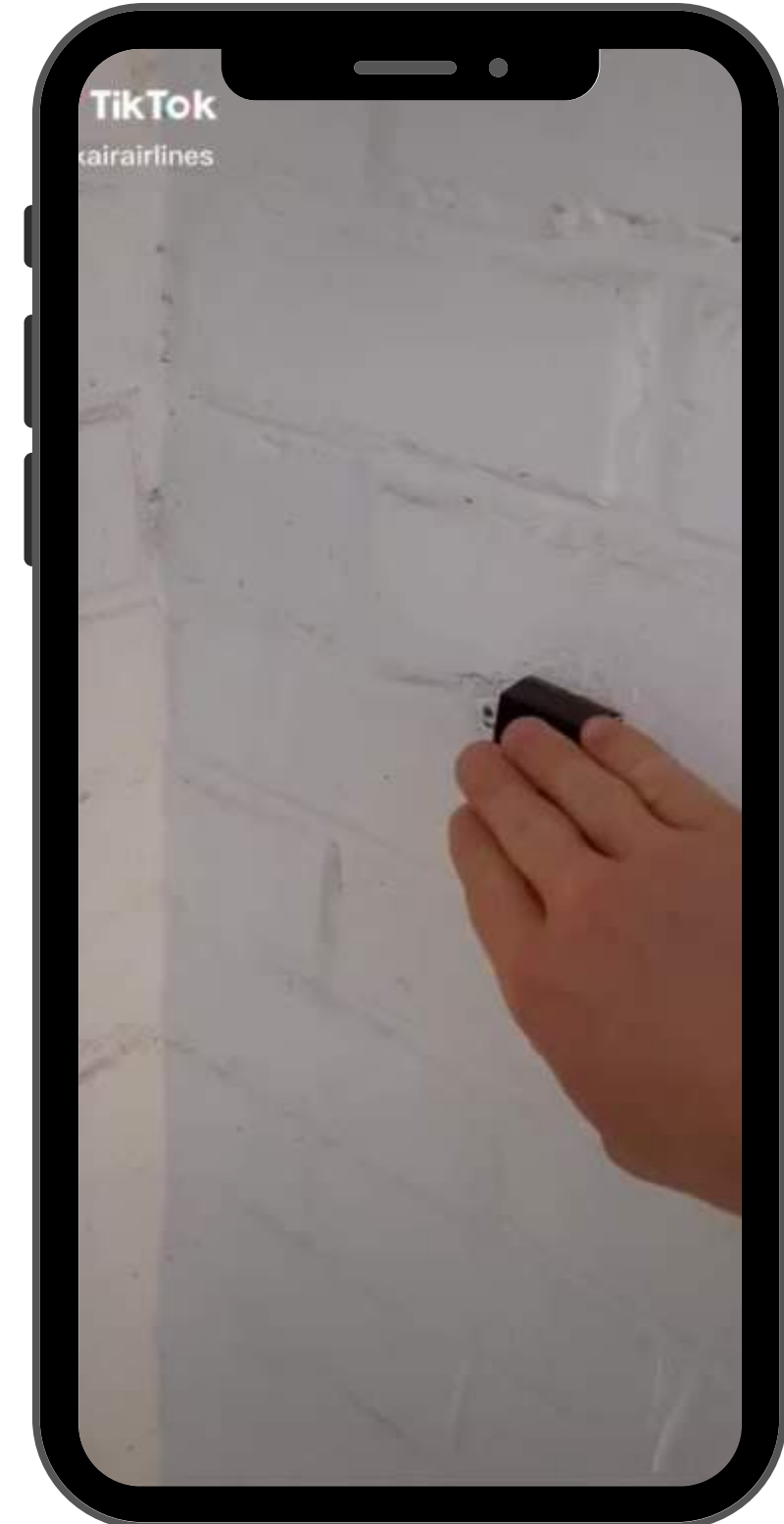
# SOCIAL NETWORKS

Whether they are used to share the brand's values, to support sales or to interact with customers, social networks are undoubtedly the place to be. Truth is, they move fast, and represent a permanent challenge for brands willing to maintain a link with new generations.

Luxair was brave enough, in 2020, to be among the very first airlines and the first big Luxembourgish company to land on Tik Tok, with a huge set of contents among which the "don't rush" challenge represented one of the biggest digital successes of the company.



[Click here to discover Luxair's social networks](#)



# ROCKHAL POP UP SESSION

For the first time in Luxair's history, a musical collaboration saw the day showing the modern, young and dynamic spirit that the brand conveys.

In December 2020, Edsun, a Luxembourgish artist performed a live concert in the maintenance hangar, a historical building rooted in the Luxembourgish region, on the occasion of the Rockhal x ING pop-up sessions.

EDSUN



Fly away into the bold and uplifting universe of EDSUN.



# LUXAIR

## BUSINESS REVIEW

# 5



# LUXAIR LUXEMBOURG AIRLINES



This past year has been dominated by the COVID-19 crisis, forcing Luxair to stop its flight operations altogether for two months in 2020. The operations were limited by the numerous travel restrictions that were imposed throughout the rest of the year.

From 14 to 23 March 2020, the company repatriated 4.334 customers, half of whom were from Spain. Apart from a few ad-hoc charter flights, activities were then completely suspended between 24 March and 29 May.

During this period, all aircraft underwent a specific storage and maintenance programme. Every seven days, according to the procedure, each aircraft was moved or started up. This forced grounding of the fleet allowed the technical teams to anticipate maintenance activities, and to carry out important modifications.

During the lockdown, 42 pilots took part in additional flight simulator sessions on the Boeing, and 38 in 'touch and go' sessions on the De Havilland Q400 to keep their skills at the highest level. In addition, all departments worked together to put in place all the necessary procedures to deal with the pandemic and to guarantee passengers the best possible travel conditions.

To this end, 252 cabin-crew members received a 4-hour training course on COVID-19, based on international recommendations on the subject. As such Luxair committed and signed as well the EASA Aviation Industry Charter for COVID-19.

After two months in which flights were suspended, Luxair was the first airline to restart flying from Luxembourg airport and welcomed its first passengers on board on 29 May 2020 in compliance with the relevant health measures. With the resumption of flights, 5 different destinations were operated: Stockholm, Lisbon, Porto, Hamburg, and Munich. New destinations were added for the summer season, in close cooperation with the official authorities in each country. Various marketing campaigns were organised to support sales.

A special task force has been created to follow-up on the various and ever changing travel restrictions and sanity rules in order to give best possible advice to our clients to ensure a safe and still seamless journey. A service, which has been highly valued by our customers.

By the end of 2020, Luxair had suffered a drop in passengers of around 71%, resulting in a 70% fall in revenue, ending up with an operating loss of 73 Mio €. The occupancy rate fell by 15% to 52%.



# LUXAIR LUXEMBOURG AIRLINES

## Luxair Travel Store

In November 2020, Luxair launched the brand new Luxair Travel Store concept, two flagship stores added to the usual sales points, in the departure hall of Luxembourg airport and in Munsbach.

Customers immerse themselves in the world of travel and are inspired by the expertise, friendliness and flexibility of the travel experts, to build their future trip.

With a “tailor-made”, multilingual service, they advise and support customers in the organization of their future holidays.

Customers can also discover a whole new range of Luxair gadgets in both Luxair Travel Stores, ranging from aircraft models, to travel mugs and Sumo pins and T-Shirts and many more.

## Travellers' Choice Award 2020

On 27 July 2020, Luxair Luxembourg Airlines was rewarded “Travellers Choice Regional Airline Europe” by TripAdvisor, the world’s largest site offering reviews by travellers, for the second year running. This choice was based on the reviews (comments, ratings) of Tripadvisor travellers from the previous year (January to December 2019).



## The freedom to travel anywhere

At the end of 2020, the Luxair gift card was introduced. The perfect gift for any occasion: the freedom to travel anywhere. In just a few clicks, customers can offer to their loved ones the opportunity to create unique memories.

## A quick return to service

Stored and regularly monitored during the lockdown, the aircraft of the Luxair Luxembourg Airlines fleet were able to quickly return to service at the end of May 2020. Each day two different aircraft were checked so as to get all of planes safely flying again when the time came. Within a week, the entire fleet was back up and running.

## Kids are in good company

As the airline for families, Luxair has put children even more in the focus of the product development. A special section called “Kids Corner” has been created on Luxair and LuxairTours’ websites with specific advice for parents travelling with children. The well received kids’ face mask has been developed with and for Luxair’s young customers – enabling them to travel in style. And there is more to come...

## Improved customer experience

Several digital improvements were made in 2020 in order to enhance the customer experience on [www.luxair.lu](http://www.luxair.lu).

The entire booking function was reviewed, customers now have a better overview of the days when flights are operated, hence easing their organisation and research.

Customers benefit from a new and improved experience during their self-service check-in. Moreover the ancillary service catalogue has been activated, allowing customers to add paid extras to their flights, up until flight their departure, such as seat reservation, lounge access, fast lane.



# LUXAIR TOURS

The year got off to a great start with the successful Foire Vakanz and an increase by mid-February of almost 20% in sales of holidays package over the same period the year before. However, the rest of 2020 was more turbulent, with an operation in March to repatriate all of customers who were on holiday abroad.

The grounding of all flights on 23 March led to an influx of calls to the Customer Service Centre, with several thousand calls a day at the height of the crisis. Social media was also used by the teams to stay in direct touch with customers, to keep them updated and try to keep their spirits up.

As soon as the resumption of flights was announced, and thanks to the confidence shown by its customers, LuxairTours made sure to expand its holiday offerings. The first plane flew to Faro, in the Algarve (Portugal), on 31 May. Luxair and LuxairTours put in place special measures to guarantee the highest level of safety to customers, deployed throughout the whole customer journey, on the ground and during the flight. The schedule of flights was gradually expanded in the weeks that followed, and new destinations were added.

Thanks to this positive dynamic, in August 2020 the level of activity almost got back to where it would have been. This result is also due to the attractive marketing offers that were made for the summer.

Launched on 4 June, when the travel agencies reopened, the “Lëtz Go!” offer allowed many customers to take advantage of cut-price holidays. The sales conditions were adjusted to offer customers considerable flexibility.

In order to guarantee the health, safety, comfort and wellbeing of its customers, LuxairTours launched the “Safe & Clean” concept, based on the guidelines and recommendations of the European Union Aviation Safety Agency and the World Health Organization. The company also established, for partner hotels, additional sanitary standards that go beyond the strict guidelines and restrictions imposed by local authorities.

Like the entire tourism sector, LuxairTours was strongly impacted by the health crisis: there was a drop of nearly 66% in its charter and tour operations. With destinations such as Turkey and Egypt no longer available, the number of flights outside the Schengen area dropped by 72%, while within Schengen the decline was 60%. In 2020, 257.651 passengers used LuxairTours services—a drop of 66% over the year before.

# LUXAIR TOURS

## LuxairTours: Top Brand 2020

LuxairTours was the proud TopBrands 2020 winner in the category Tour operators - Travel agencies, ranking the 13 most powerful brands in Luxembourg.

TopBrands measures the impact of brands operating on Luxembourg territory (168 in total) on consumers and draw up a ranking of "favourite" brands by sector of activity, based on a representative survey of Luxembourg residents.

In each category, the prize is awarded to the "most powerful" brand according to the expert methodology Kantar Brand Dynamics. This "power" is the predisposition of customers to choose one brand over another.

**TOP  
BRANDS**  
of the year 2020

## Making way for digital innovation

This peculiar year allowed LuxairTours to speed up the digitalization of the customer journey and make it more user-friendly. The focus was particularly on brochures, flyers, and digital marketing.

Within three months, a new application was developed in-house to generate confirmations and travel documents with a better general presentation and personalization, almost instantaneously sent to customers.

## ISO 9001:2015 certification renewed

LuxairTours will keep its ISO 9001:2015 quality management system certification for another year. In their report, the auditors emphasised the ability of LuxairTours to face difficulties, and its capacity to reinvent itself, to offer new destinations, and to keep its focus on the customer.



# LUXAIR SERVICES



Although the airport remained open and operational throughout the year, regular air-passenger traffic in Luxembourg paused from March until the end of May as a result of the lockdown imposed during the pandemic. This slump had a significant impact on the ground services business operated by LuxairServices. During this period, however, the airport played a crucial role in cargo flights and especially medical flights to and from Luxembourg and the Greater Region.

Luxair's catering prepared 881.641 meals in 2020, down from 2.295.730 the previous year—a drop of 62% caused mainly by the decline in passenger numbers.

When commercial flights resumed, Luxair's catering department introduced new hygiene measures to meet health and safety requirements. In-flight catering was adapted to minimise interactions and contact between cabin crew members and customers.

The packaging and presentation of snacks and meals were also adapted to meet the requirements, while a selection of drinks remained available. On-board service was also adapted in accordance with the length of the flight.

Also in March, 573 cargo flights, all airlines combined, and 47 business aviation and charter flights, were supplied by Luxair's catering teams.

The turnover of LuxairServices Catering earned thanks to third-party companies operating at Luxembourg airport decreased by only 19% to reach 4,9 million euros. The cargo flights activity increase was able to absorb the drop in commercial flight activities but could not prevent a 3 million € loss compared to a 600.000€ profit in 2019.

The decline in operations for LuxairServices was felt from the moment flights were first cancelled in March. Airport and tarmac agents, as well as 9 loading drivers, shifted to help out the LuxairCARGO teams.

Luxembourg Airport closed out 2020 having served 1,4 million passengers, a figure last seen in 2003. Passenger numbers were down 68% over 2019. According to Airports Council International, the average drop in passenger numbers in the sector was 71%.

**Luxair**Services

# LUXAIR SERVICES

## A dynamic resource management tool

LuxairServices rolled out the GroundStar RealTime software suite in 2020 to ensure optimal resource management. Already in use in over 170 airports around the world, this tool allows to distribute, in real time, tasks to the employees depending on their availability and skills.

## ISAGO 2020 certification

From 14 to 17 September 2020, LuxairServices was audited in order to obtain ISAGO certification under the IATA's Safety Audit for Ground Operations. The auditors were impressed by the quality of operations, the high level of knowledge and the dedication demonstrated by the staff, and the transparency of the processes involved.



## An award for the Business Class menu

The Business Class menu, introduced in 2019 in collaboration with My Roots chefs René Mathieu and Mario Willems, characterised by healthy, colourful and tasty cuisine inspired by nature, was awarded the 2019 Project of the Year award by the "We're smart world" green guide, which recognises restaurants that are among the best in the world and that showcase plant-based cuisine.



# LUXAIR CARGO



After a difficult start of the year, the COVID-19 crisis shifted the situation drastically. In February 2020, the paralysis of the Chinese economy led to a sharp decline in LuxairCARGO's operations. But by March, the revival of Chinese industry and the resumption of cargo flights to China, combined with the suspension of commercial flights whose cargo was redirected to aircraft transporting freight, led to a significant increase in field operations.

During the first lockdown in March 2020, the amount of freight traffic was higher than ever, especially for the transport of medical equipment. 947.000 tons of goods were transported through Luxembourg airport in the course of the year, and the pace considerably picked up as the year drew to a close. A 6% increase in freight traffic was registered compared to 2019.

Because of this large increase in volumes, managing operations during the first lockdown was challenging.

To deal with this unprecedented situation, LuxairCARGO witnessed a great surge of solidarity from other Luxair departments, who offered to come and lend a hand to their colleagues. Other parties in the logistics chain also helped, including Wallenborn, Luxport, CFL Multimodal, the Health and Safety Department of the Luxembourg Army, and the Warehouses Service Agency. Thank you to all the different actors who lent a helping hand during this period.

Since the first lockdown, LuxairCARGO is an essential activity to be kept going during this crisis period. LuxairCARGO's logistics platform proved to be essential to ensuring the supply of vital goods, (medicines, medical supplies, food, and so on), not only to the country but also to Europe and the rest of the world.

Despite the increase in volumes in 2020, LuxairCARGO's turnover fell by 1% to 99 million €. And the operating result declined, from a loss of EUR 3 million in 2019 to a loss of just over 10 million € in 2020. The number of rotations was almost unchanged, at 6.795.

# LUXAIR CARGO

## Digitisation for efficiency

In order to ensure the sustainability and competitiveness of Luxembourg's Cargocenter, LuxairCARGO and its main customer Cargolux are working on a joint initiative called Project CarMa. The aim is to implement the same Cargo Management IT System in both organisations so as to enhance the efficiency of processes. The project include the use of less paper, better industry messaging integration, advanced digital dashboards, more reliable data and cost reductions through digitisation.

## An award for LuxairCARGO

Thanks to the commitment of the LuxairCARGO teams, Air Cargo World rewarded Luxembourg Airport with the Platinum Award as part of its Air Cargo Excellence 2020 ranking. This award underscores the importance of LuxairCARGO in the global supply chain.



# LUXAIR CARGO

During the pandemic, LuxairCARGO's motivated teams made sure that connectivity of goods and medical equipment was guaranteed. The LuxairCARGO logistics platform, which played a vital role in supplying Luxembourg, Europe and the world with medical goods, showed its importance in the global supply chain, in smooth and in challenging times.

With the outbreak of the Covid-19, the activity of LuxairCARGO sharply increased facing large volumes and leading the Cargo center to be sometimes saturated due to the high demand for medical supplies such as medicines, face masks, pharmaceuticals, emergency infrastructure and perishable goods

LuxairCARGO made sure its logistics platform kept moving, with the objective to secure the production capacities until the end of the crisis and then to be able to quickly assume the pre-crisis production capacities.

Luxair wants to thank each and every person who helped out to during this difficult time to make this happen!





# PERFORMANCE AT A GLANCE

## LUXAIRTOURS TOP

# 3

CANARY ISLANDS  
BALEARIC ISLANDS  
PORTUGAL



## LUXAIRCARGO

# 947.000 TONS

Record volumes handled by LuxairCARGO reached 947.000 tons compared to 893.000 in 2019, which is a 6% increase. The number of aircraft movements slightly increased: 6.797.

## LUXAIRTOURS

# 257.651 Passengers

were transported (-66% compared to 2019).  
LuxairTours flight occupancy rates decreased from 76,8% in 2019 to 64,1% in 2020.



## LUXAIRTOURS

# 2.962 Flights

-51 % flights have been operated on behalf of LuxairTours.



## GREATER REGION PLAYER

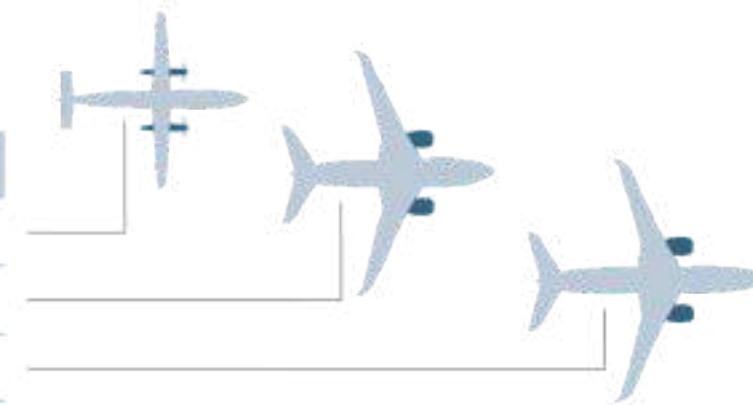
The geographic distribution of LuxairTours sales slightly decreased compared to 2019, however direct sales increased\*.

France 23%  
Luxembourg 21%  
Germany 6%  
Belgium 6%  
Direct Sales 43%

# PERFORMANCE AT A GLANCE

## LUXAIR LUXEMBOURG AIRLINES FLEET

	2018	2019	2020
DE HAVILLAND Q-400	11	11	11
BOEING737-700	2	4	4
BOEING737-800	4	4	4



### AT A GLANCE

Passengers Luxair \*\*\*  
 Revenue Passengers-km (RPK) (mio)\*\*\*  
 Load factor  
 Number of meals served (catering)  
 Number of passengers assisted at Luxembourg airport  
 Number of block hours (for entire Luxair fleet)  
 Freight handled (tons)  
 Personnel (on average)

### 2020

658.873  
 863  
 58,4%  
 881.641  
 1.400.000  
 23.989  
 947.247  
 2.820

### 2019

2.148.098  
 2.420  
 73,0%  
 2.295.730  
 4.400.000  
 56.871  
 893.090  
 2.877

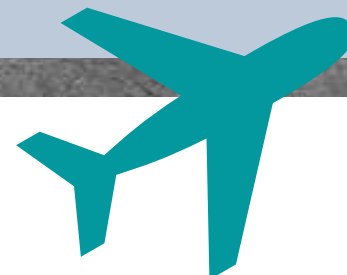
### LUXAIR TOP

# 5

PORTO  
 VIENNA  
 LISBON  
 LONDON  
 PARIS



**881.641**  
 MEALS SERVED



### LUXAIR LUXEMBOURG AIRLINES

**12.334 Flights**

Luxair operated 12.334 flights\*\* (-61%) compared to 31.911 the previous year

**658.873 Passengers**

The total number of passengers transported by Luxair\*\* in 2020 is 658.873 which represents a 69% decrease compared to 2019.



\*\*including regular, leisure and ad hoc charter flights  
 \*\*\*the total includes charter flights operated by Luxair Luxembourg Airlines

# LUXAIR

## PEOPLE & CSR

6



# LUXAIR PEOPLE

In 2020, the health crisis shone a spotlight on the solidarity and goodwill that can be found at all levels of the company. As of March 2020, in order to protect the health of its employees, Luxair organised, in record time, the transition to teleworking for all administrative and support services. IT teams immediately ensured that workspaces were secure and that collaboration tools were in place to allow work to be done efficiently.

Starting in March, the LuxairCARGO teams were overwhelmed with work because of the increase in cargo operations. They received a big lift from the solidarity shown by those Luxair employees who stepped up to the plate to help them in their hour of need.

At the beginning of summer, in order to better meet the expectations of the customers, staff at the call centre, and in the central Back Office and Hotel Capacity departments, were reinforced by some 20 colleagues from Passenger assistance and the Cabin Crew department. Throughout these tough times, and in the same spirit of solidarity, LuxairServices Catering supported the employees on the ground by offering them sweet and savoury snacks, which they served at various refreshment points.

In November 2020, in view of the fall-off in activity in certain services, 68 Luxair employees volunteered to reinforce the Contact Tracing teams from the Ministry of Health.

The psychological health of its staff being at the heart of its preoccupations, Luxair has partnered with Stiftung Mayday to set up a new peer-support programme. Should any problems, issues, or concerns arise, crew members (cabin crews) can contact Stiftung Mayday and get initial psychological help—in complete confidence, of course.

# CORPORATE SOCIAL RESPONSIBILITY

Once more, throughout 2020, Luxair put its resources to work for various social and environmental causes that are dear to its heart.

In this time of turmoil caused by the pandemic, the company wanted to show its support for those directly involved in managing the health crisis. As in the previous years, Luxair showed support to the local and regional economy, by distributing sweet treats and savoury pretzels at the Robert Schuman Hospitals, the Centre Hospitalier de Luxembourg, the SOS Kannerduerf, and the Tracing Center of the Ministry of Health, thus delighting the taste buds of the staff.

Luxair is and has always been committed to the well-being of staff at each location.

Luxair continued its corporate efforts to improve waste management at each of its units and is committed to limiting the impact of its operations as much as possible and to helping preserve the environment. In 2020, the waste management activities carried out by the Catering department, the Central Purchasing department, the Maintenance, the Cargocenter canteen, LuxairCARGO, the Ground Equipment shops and the administration building in Munsbach, were recognised for their excellent waste management for the past 10 years and thus earned a SuperDrecksKëscht certificate.

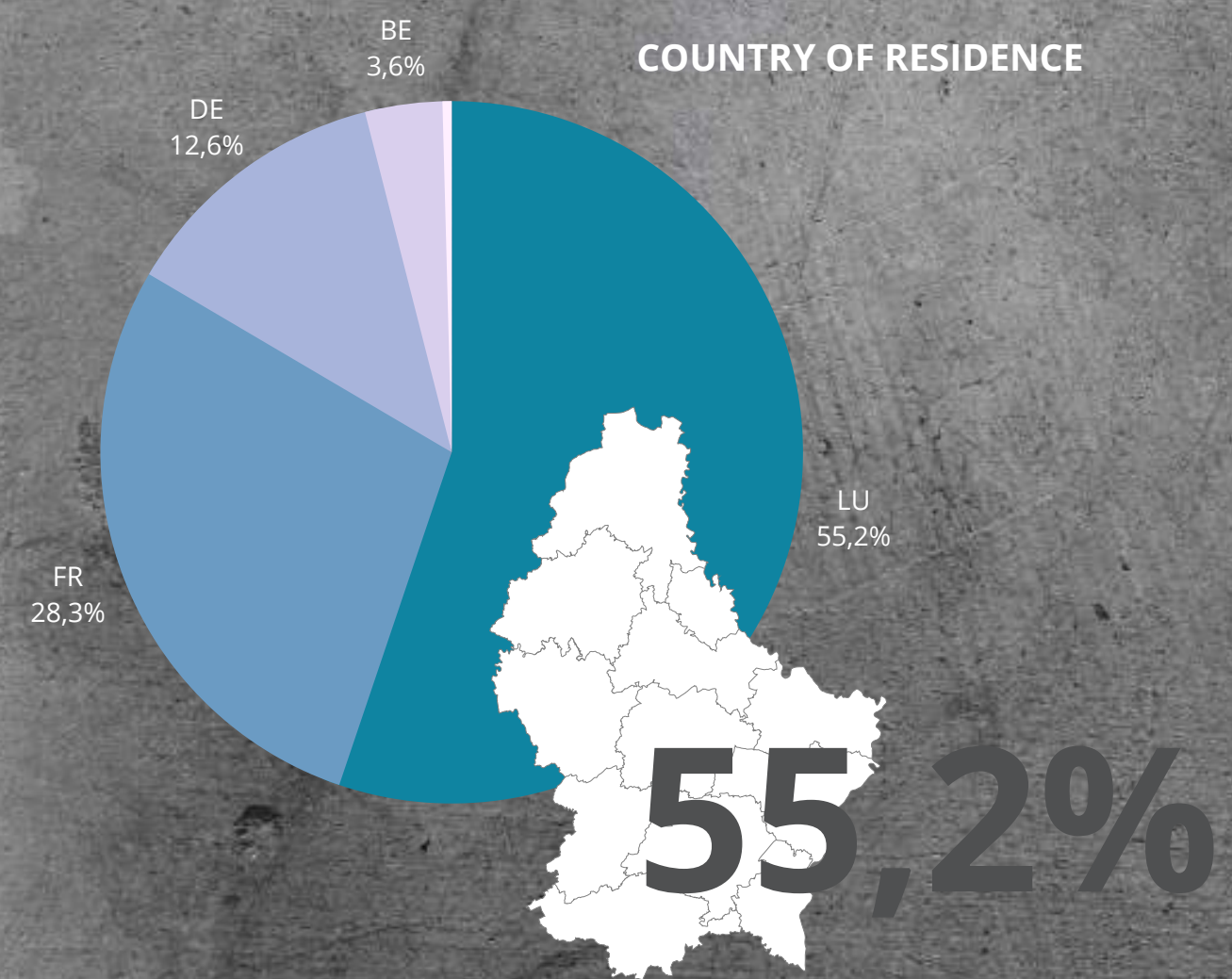
Luxair is also committed to social solidarity and renewed its support for Caritas. Luxair's donation made it possible to put in place a new kitchen at the Foyer Ulysse, an emergency reception and accommodation shelter, for the benefit of its residents.

Following the suspension of flights in the spring of 2020, it was also decided to use the perishable foodstuffs stored in Luxair's kitchens to benefit the company's partner associations. In this way, Luxair combined a commitment to social solidarity with the fight against food waste. Throughout the month of May, the LuxairServices Catering teams produced 1,000 small and 200 large rolls (brioches), which were distributed to these partner associations.

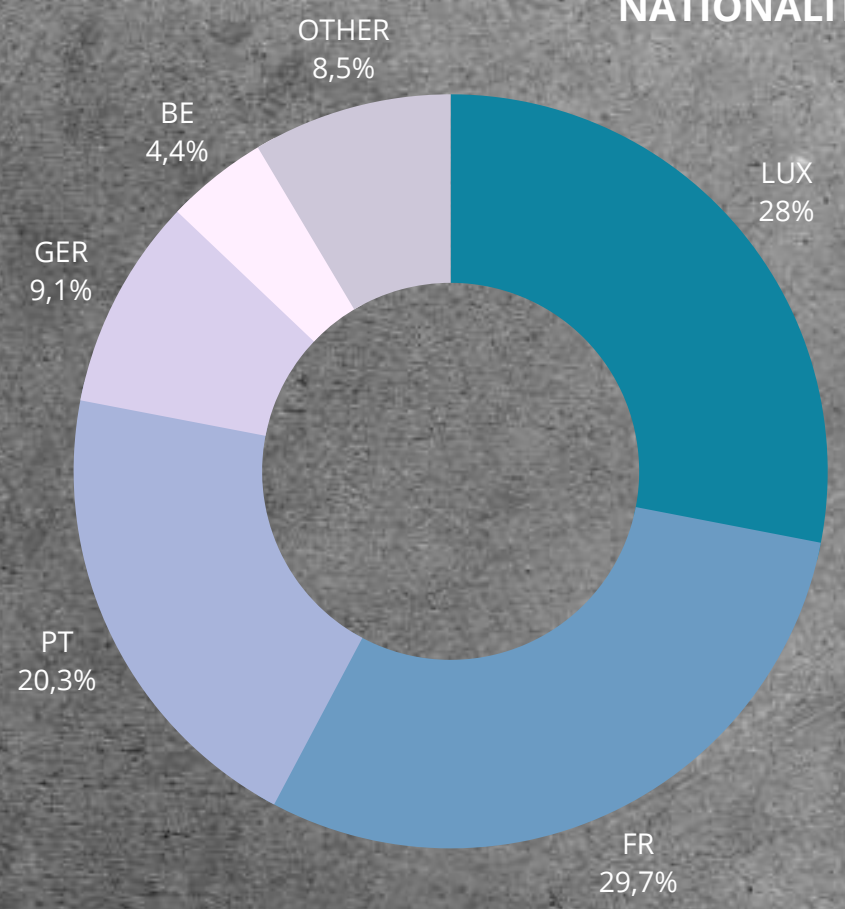
In November 2020, Luxair took part in a major cause to support the International Day for the Elimination of Violence against Women and the United Nation's "Orange Week". Luxair launched an awareness-raising campaign in support of the association Femmes en Détresse. For the first time in its history, Luxair lent its most precious asset: its brand, its colours and the livery of one of its aircraft, to support this cause. As part of its "Luxair Stands Up" initiative, Luxair's De Havilland Q400, registration number LX-LGE, carried a message to raise awareness of this cause across Europe.

# PEOPLE WHO MAKE LUXAIR

COUNTRY OF RESIDENCE



NATIONALITIES



12,5%  
48%  
20%  
75%  
31%

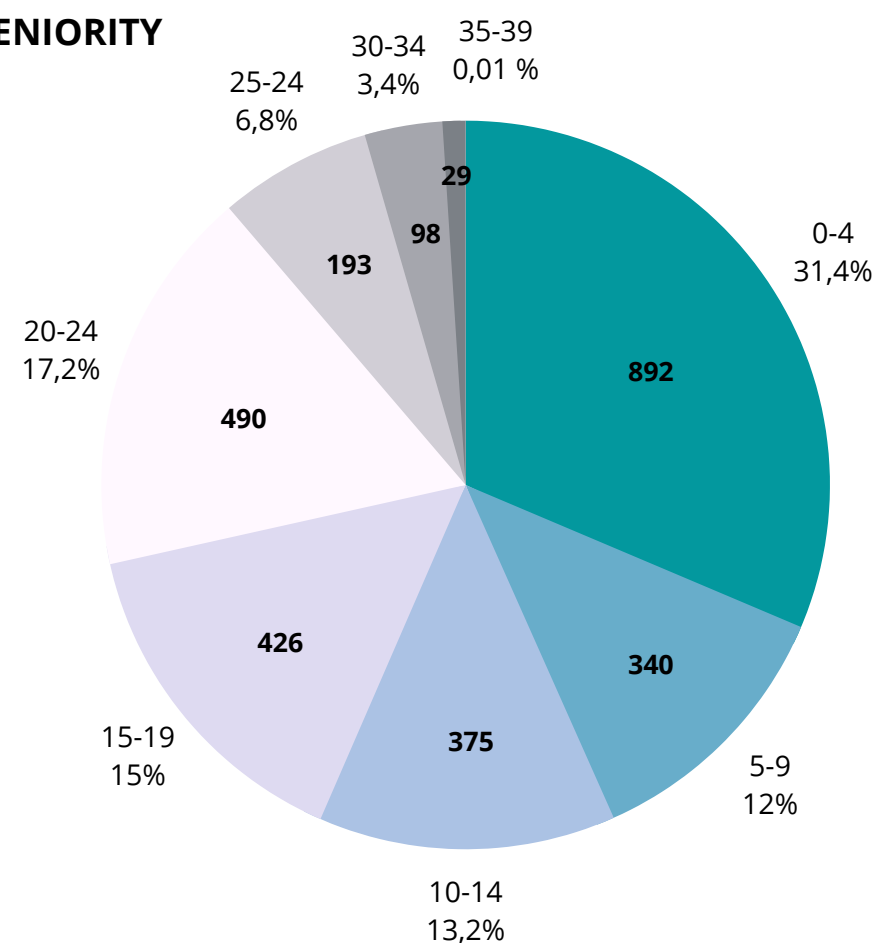
MANAGEMENT  
FLIGHT CREW  
GROUND STAFF  
INTERNS  
APPRENTICES



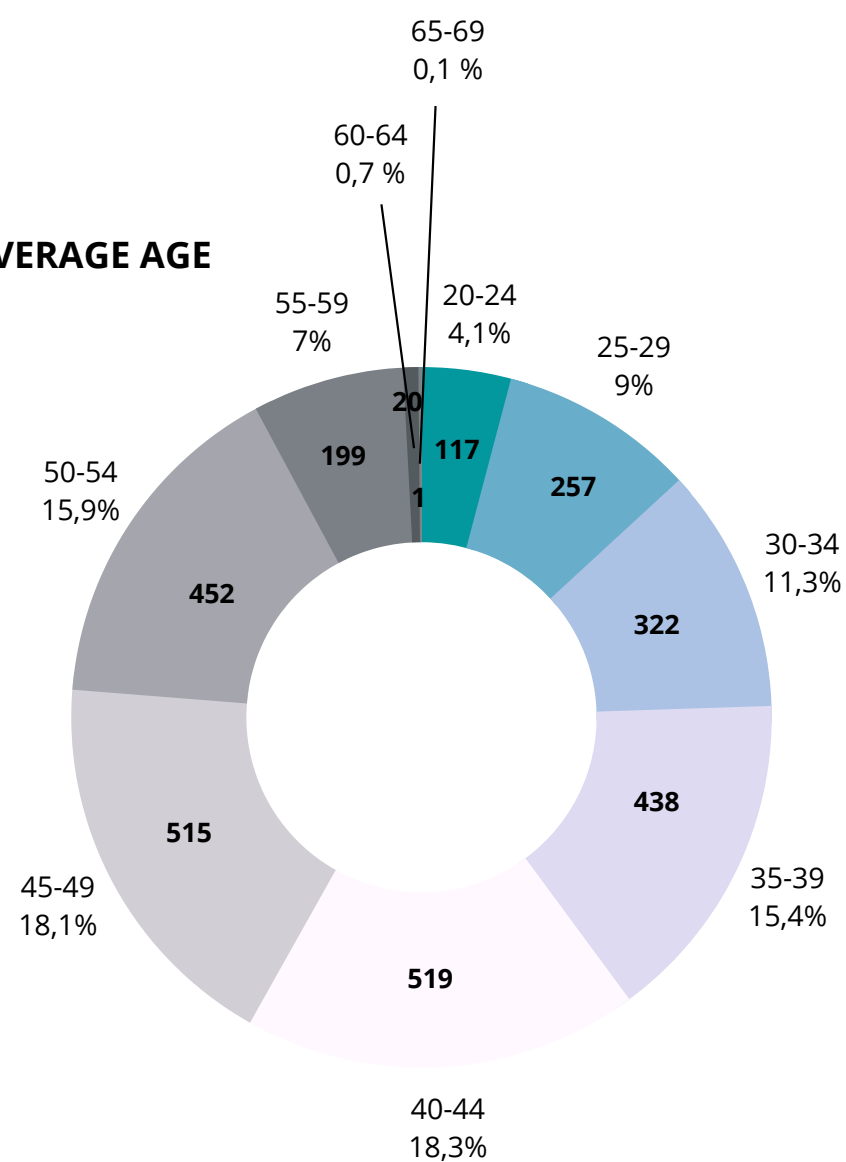
87,5%  
52%  
80%  
25%  
69%

# PEOPLE WHO MAKE LUXAIR

## SENIORITY



## AVERAGE AGE



## PARENTAL LEAVE - MATERNITY LEAVE - UNPAID LEAVE

Parental leave	73
Part-time parental leave	60
Maternity leave	43
Unpaid leave	31
<b>Total</b>	<b>207</b>



## ACTIVE LUXAIR STAFF MEMBERS



Permanent contracts	2647
Fixed-term contracts	179
Apprenticeships	13
Internships	4
Student Pilot	0
<b>Total</b>	<b>2843</b>

## LEAVING AND JOINING THE COMPANY

	Hirings	Departures
Internships	45	55
Fixed-term / seasonal contracts	235	233
Permanent contracts	53	157
Apprenticeships	4	5
<b>Total</b>	<b>337</b>	<b>492</b>

# LUXAIR

## FINANCIAL REVIEW

# 7



CHAPTER SEVEN



# CONSOLIDATED ASSETS

Consolidated assets Luxair (expressed in euros)		2020	2019
<b>A.</b>	<b>Subscribed capital unpaid</b>	0	0
I.	Subscribed capital not called	0	0
II.	Subscribed capital called but not paid	0	0
	Goodwill of first consolidation	0	0
<b>B.</b>	<b>Formation expenses</b>	0	0
<b>C.</b>	<b>Fixed assets</b>	<b>756.584.954</b>	<b>544.889.125</b>
I.	Intangible assets	500	500
1.	Costs of development	0	0
2.	Concessions, patents, licences and similar rights and assets if they were trade marks	500	500
a.	acquired for valuable consideration and need not to be shown under C.I.3	500	500
b.	created by the undertaking itself	0	0
3.	Goodwill, to the extent that it was acquired for valuable consideration	0	0
4.	Payments on account and intangible fixed assets under development	0	0
II.	Tangible assets	219.222.577	269.770.605
1.	Land and buildings	27.222.724	30.884.240
2.	Plant and machinery	184.153.205	229.474.215
3.	Other fixtures and fittings, tools and equipment	7.810.551	9.412.150
4.	Payments on account and tangible assets in course of construction	36.097	0
III.	Financial assets	537.361.877	275.118.020
1.	Shares in affiliated undertakings	0	0
2.	Loans to affiliated undertakings	0	0
3.	Participating interests	528.932.307	266.421.629
4.	Loans to undertakings with which the company is linked by virtue of participating interests	8.067.422	8.328.716
5.	Investments held as fixed assets	137.791	137.791
6.	Other loans	224.357	229.884

# CONSOLIDATED ASSETS

D.	Current assets	89.068.931	229.983.756
I.	Stocks	554.140	1.494.725
1.	Raw materials and consumables	554.134	800.626
2.	Work and contracts in progress	0	0
3.	Finished goods and goods for resale	6	694.099
4.	Payments on account	0	0
II.	Debtors	29.778.259	38.564.053
1.	Trade debtors	8.469.787	22.104.468
a.	becoming due and payable within one year	8.469.787	22.104.468
b.	becoming due and payable after more than one year	0	0
2.	Amounts owned by affiliated undertakings	0	0
a.	becoming due and payable within one year	0	0
b.	becoming due and payable after more than one year	0	0
3.	Amounts owned by affiliated undertakings with which the company is linked by virtue of participating interests	7.874.604	7.078.617
a.	becoming due and payable within one year	7.874.604	7.078.617
b.	becoming due and payable after more than one year	0	0
4.	Other debtors	13.433.868	9.380.968
a.	becoming due and payable within one year	13.433.868	9.308.290
b.	becoming due and payable after more than one year	0	72.678
III.	Investments	10.243.457	64.521.108
1.	Shares in affiliated undertakings	0	0
2.	Own shares	4.713.596	4.713.596
3.	Other investments	5.529.861	59.807.512
IV.	Cash at bank and in hand	48.493.075	125.403.870
E.	Prepayments	2.101.158	7.048.507
<b>Total (Assets)</b>		<b>847.755.043</b>	<b>781.921.388</b>

Consolidated liabilities Luxair (expressed in euros)		2020	2019
<b>A.</b>	<b>Capital and reserves</b>	<b>581.225.025</b>	<b>467.054.531</b>
I.	Subscribed capital	13.750.000	13.750.000
II.	Share premium account	0	0
III.	Revaluation reserve	0	0
IV.	Reserves	460.728.945	481.836.498
1.	Legal reserve	1.375.000	1.375.000
2.	Reserve for own shares	4.713.596	4.713.596
3.	Reserves provided for by the articles of association	0	0
4.	Other reserves, including the fair value reserve	320.403.194	314.703.194
a.	other available reserves	242.323.994	233.012.994
b.	other non available reserves	78.079.200	81.690.200
5.	Consolidated reserve	125.285.972	152.093.525
6.	Negative goodwill	8.951.183	8.951.183
V.	Profit or loss brought forward	26.094.982	23.723.100
VI.	Result for the financial year	78.143.051	-4.440.304
VII.	Interim dividends	0	0
VIII.	Capital investment subsidies	0	0
IX.	Currency translation reserve	2.508.047	-47.814.763
<b>B.</b>	<b>Provisions</b>	<b>128.912.685</b>	<b>127.039.163</b>
1.	Provisions for pensions and similar obligations	1.850.453	1.837.676
2.	Provisions for taxation	0	0
3.	Other provisions	127.062.232	125.201.487
<b>C.</b>	<b>Creditors</b>	<b>113.963.944</b>	<b>158.136.772</b>
1.	Debenture loans	0	0
a.	Convertible loans	0	0
i.	becoming due and payable within one year	0	0
ii.	becoming due and payable after more than one year	0	0
b.	Non convertible loans	0	0

# CONSOLIDATED LIABILITIES

i.	becoming due and payable within one year	0	0
ii.	becoming due and payable after more than one year	0	0
<b>2.</b>	<b>Amounts owned to credit institutions</b>	<b>33.522.211</b>	<b>63.829.976</b>
a.	becoming due and payable within one year	8.990.519	17.370.956
b.	becoming due and payable after more than one year	24.531.692	46.459.020
<b>3.</b>	<b>Payments received on account of orders in so far as they are not shown separately as deductions from stocks</b>	<b>5.285.046</b>	<b>6.555.950</b>
a.	becoming due and payable within one year	5.285.046	6.555.950
b.	becoming due and payable after more than one year	0	0
<b>4.</b>	<b>Trade creditors</b>	<b>42.926.604</b>	<b>58.785.472</b>
a.	becoming due and payable within one year	42.926.604	58.785.472
b.	becoming due and payable after more than one year	0	0
<b>5.</b>	<b>Bills of exchange payable</b>	<b>0</b>	<b>0</b>
a.	becoming due and payable within one year	0	0
b.	becoming due and payable after more than one year	0	0
<b>6.</b>	<b>Amounts owned to affiliated undertakings</b>	<b>0</b>	<b>0</b>
a.	becoming due and payable within one year	0	0
b.	becoming due and payable after more than one year	0	0
<b>7.</b>	<b>Amounts owned to undertakings with which the company is linked by virtue of participating interests</b>	<b>68.912</b>	<b>225.502</b>
a.	becoming due and payable within one year	68.912	225.502
b.	becoming due and payable after more than one year	0	0
<b>8.</b>	<b>Other creditors</b>	<b>32.161.171</b>	<b>28.739.872</b>
a.	Tax authorities	7.379.396	7.698.801
b.	Social security authorities	6.609.774	7.076.906
c.	Other creditors	18.172.001	13.964.165
i.	becoming due and payable within one year	18.172.001	13.964.165
ii.	becoming due and payable after more than one year	0	0
<b>D.</b>	<b>Deferred income</b>	<b>23.653.389</b>	<b>29.690.922</b>
<b>Total (Capital, Reserves and Liabilities)</b>		<b>847.755.043</b>	<b>781.921.388</b>

# CONSOLIDATED LIABILITIES

# CONSOLIDATED INCOME STATEMENT

Consolidated income statement (expressed in euros)		2020	2019
1.	Net turnover	263.105.449	614.780.752
2.	Variation in stocks of finished goods and in work in progress	0	0
3.	Work performed by the undertaking for its own purposes and capitalised	0	0
4.	Other operating income	38.590.958	41.948.761
5.	Raw materials and consumables and other external expenses	197.470.885	409.418.106
a.	Raw materials and consumables	43.941.145	66.430.024
b.	Other external expenses	153.529.740	342.988.082
6.	Staff costs	180.563.233	192.906.891
a.	Wages and salaries	153.093.625	165.724.298
b.	Social security costs	23.479.829	23.972.677
	i) relating to pensions	12.764.239	13.222.228
	ii) other social security costs	10.715.590	10.750.449
c.	Other staff costs	3.989.779	3.209.916
7.	Value adjustments	56.342.877	46.281.189
a.	in respect of formation expenses and of tangible and intangible fixed assets	50.739.304	44.654.720
b.	in respect of current assets	5.603.573	1.626.469
8.	Other operating expenses	19.226.221	12.173.383
9.	Income from participating interests	0	100.000
a.	derived from affiliated undertakings	0	0
b.	other income from participating interests	0	100.000
10.	Income from other investments and loans forming part of the fixed assets	541.430	658.741
a.	derived from affiliated undertakings	0	0
b.	other income not included under a.	541.430	658.741
11.	Other interest receivable and similar income	4.989.362	6.929.466
a.	derived from affiliated undertakings	0	0
b.	other interest and similar income	4.989.362	6.929.466
12.	Share of profit or loss of undertakings accounted for under the equity method	227.413.156	-4.939.484
13.	Value adjustments in respect of financial assets and of investments held as current assets	191.202	60.220
14.	Interest payable and similar expenses	3.188.237	3.935.077
a.	concerning affiliated undertaking	0	0
b.	other interest and similar expenses	3.188.237	3.935.077
15.	Tax on profit or loss	19.000	11.061
16.	Profit or loss after taxation	77.638.700	-5.307.691
17.	Other taxes not shown under items 1 to 16	-504.351	-867.387
18.	Profit or loss for the financial year	78.143.051	-4.440.304

# FINANCIAL SUMMARY

Financial Summary (company accounts, not consolidated)	2020	2019	2018
Turnover (million €)	263,134	614,752	592,694
Operating result (million €)	-159,787	-8,760	0,764
Net result (million €)	-154,903	8,072	12,454
Net profit ratio	-58,87%	1,31%	2,10%
Balance sheet total (million €)	455,697	583,499	583,411
Capital & reserves (million €)	211,434	366,337	358,265
Capital & reserves / Balance sheet total	46%	63%	61%
Return of equity	-73,26%	2,20%	3,48%

# KPIs



# KEY PERFORMANCE INDICATORS

## Corporate Governance

Luxair is a responsible actor in the tourism and aviation industries and is committed to developing and promoting responsible and ethical policies within all the territories where its activities are conducted. For many years now, Luxair is a proud member of "The Code", a tourism label enforcing the protection of children. Luxair in close collaboration with ECPAT Luxembourg, the Code's local representative communicates in various ways to raise awareness and improve training to fight the sexual abuse of children.

Since 2019, Luxair develops and promotes responsible policies, through the Modern Slavery Statement and the Code of Conduct for Suppliers.

The "Respect" internal project launched in 2019 was still on-going in 2020, with the aim to raise staff awareness to various guidelines about appropriate behaviour and working together efficiently.

	2020	2019
Voluntary commitments to general CSR-related schemes	2	2
Environmental programs	4	4
	2020	2019
Fuel consumption for ground vehicles (in liters)	723.032	963.058
Waste produced by the company (in tons)	2.573	2.812
Energy consumption (in kWh)	14.142.702	14.629.257
Water consumption (in m3)	37.061	43.729
CO2 Emissions (in kg)	108.642.800	259.668.000

## Environmental Management

The pandemic had an impact on Luxair's environmental management. In 2020, there has been a consequent reduction in fuel consumption due to the 2 months fleet confinement. The CO2 Emissions of Luxair have also drastically reduced, the decrease reaching almost half of the emissions of the past year.

Following governmental decisions, Luxair put in place teleworking for a large part of its employees, allowing the company to reduce its waste, energy and water consumption.



# KEY PERFORMANCE INDICATORS

## Social Commitments

Luxair took its commitment to its 4 charity partners: Caritas, the Red Cross, Stëmm vun der Stross and ECPAT one step further throughout 2020. The company showed its support by distributing goods to those in need.

Social solidarity being one of the company's priority, Luxair's donation for Caritas allowed to buy a new kitchen for the foyer Ulysse, an emergency reception and accommodation shelter, for the benefit of its residents.

Luxair will keep on developing solidarity actions that are dear to its heart and helping those in needs in the future.

	2020	2019
Number of partnerships established with non-governmental organisations	4	4

## Human Resources Management

Thanks to Luxair's workforce commitment, this turbulent year did not prevent Luxair from keeping its operations on-going as soon as it was possible to start flying again and enabling the Cargocenter to supply Luxembourg and Europe with goods and medical equipments.

The company's objective is to reduce the workplace accidents by putting in place trainings and awareness-raising campaigns. The motivation and energy of Luxair staff are priceless for the company.

	2020	2019
Number of work-related accidents, resulting in days off work, medical treatment, professional illnesses, total or partial disability or death	108	206
Average number of hours of training per staff member	28,17	38,92
Percentage of female staff members holding a top management position	11%	12%
Percentage of female staff members holding a managerial position	13%	13%
Number of staff members with disabilities	15	18
Number of people, whose jobs have been adapted due to a particular situation	118	128
Percentage of disabled members of staff or having been re-assigned or reclassified compared to the total number of active staff members	4%	4%
Percentage of staff members living in Luxembourg	55%	58%

# OUR NETWORK



# NEW DESTINATIONS



# NETWORK

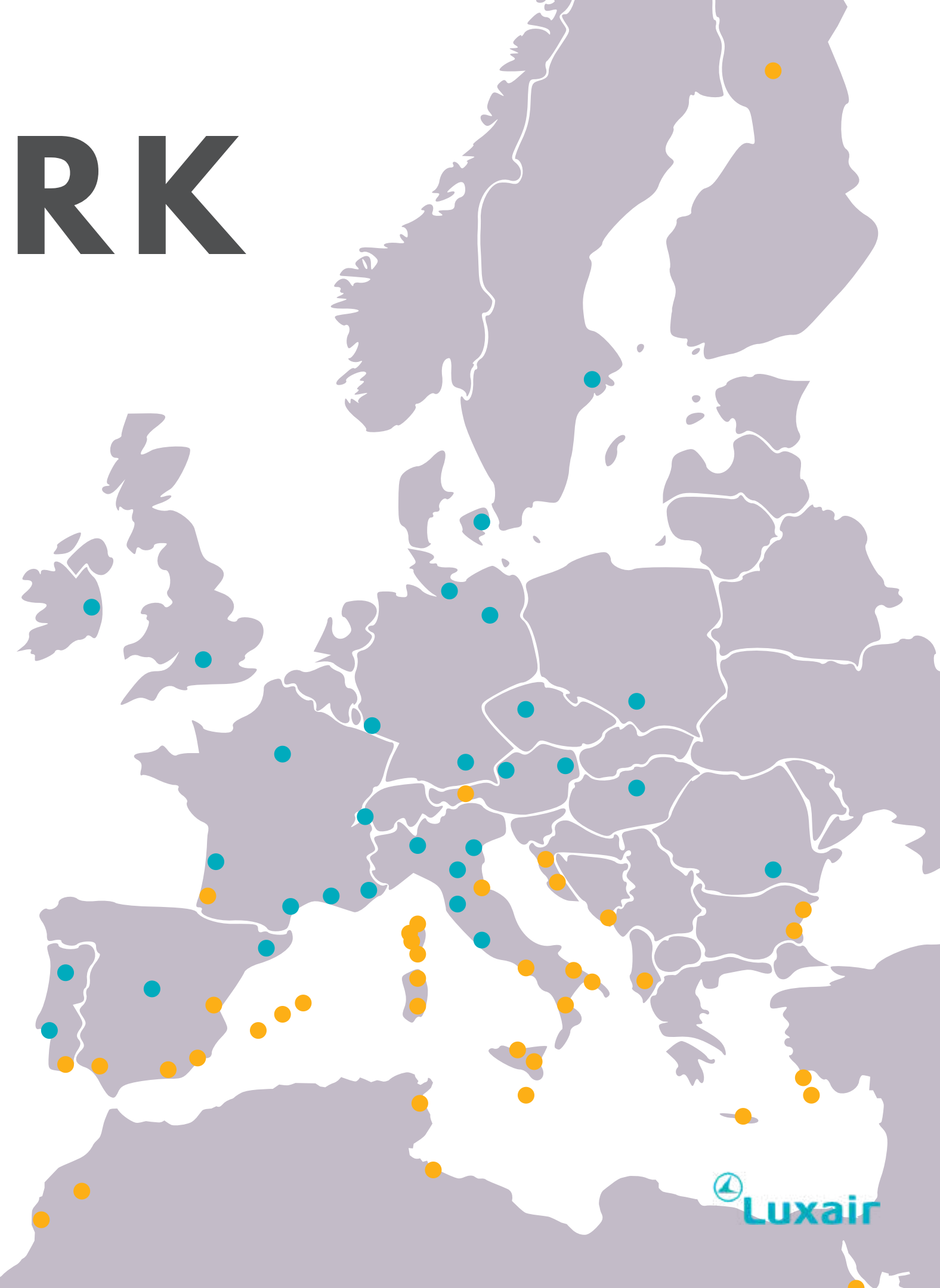
2020



- |             |           |          |           |
|-------------|-----------|----------|-----------|
| Vienna      | Paris     | Berlin   | Porto     |
| Prague      | Marseille | Geneva   | Barcelona |
| Copenhagen  | Bordeaux  | Budapest | Madrid    |
| London City | Hamburg   | Dublin   | Stockholm |
| Saarebruck  | Munich    | Milan    | Bucharest |
| Montpellier | Florence  | Rome     | Bologna   |
| Nice        | Venice    | Lisbon   | Krakow    |



- |           |            |               |               |                  |           |
|-----------|------------|---------------|---------------|------------------|-----------|
| Varna     | Biarritz   | Heraklion     | Cagliari      | Faro             | Rovaniemi |
| Burgas    | Ajaccio    | Bari          | Palermo       | Jerez            | Salzburg  |
| Sal       | Bastia     | Lamezia Terme | Catania       | Malaga           | Innsbruck |
| Boa Vista | Calvi      | Rimini        | Malta         | Kos              | Valencia  |
| Zadar     | Figari     | Naples        | Agadir        | Mallorca         |           |
| Dubrovnik | Rhodos     | Brindisi      | Marrakesh     | Ibiza            |           |
| Split     | Corfu      | Olbia         | Funchal       | Menorca          |           |
| Tenerife  | Las Palmas | Enfidha       | Ras al Khaima | Hurghada         |           |
| Djerba    | Marsa Alam | Fuerteventura | Lanzarote     | Costa de Almeria |           |



# THIS REPORT HAS BEEN DEVELOPPED IN-HOUSE BY LUXAIR STAFF

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#WEARELUXAIR

 Luxair



**YES, WE STILL FLY.**

 **Luxair**