

# Debrief

## AFA Debrief – January 19, 2023

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- **European Taxation Letter**
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### United Releases 4Q Earnings Report

This week, United reported fourth-quarter earnings and full-year 2022 financial results topping Wall Street estimates due to strong demand and higher airfares.

According to news reports, United reported an \$843 million profit for the last three months of 2022, a 31% increase compared with the same period three years earlier (2019), on revenue of \$12.4 billion. That revenue was almost 14% higher than the same period in 2019, before the pandemic, despite flying approximately 9% less. Also, United expects to expand flying 20% in the first quarter from a year ago it said in the filing.

In its report, United forecast capacity growth in the high teens for the full year over 2022. It forecast unit revenues, or revenue per available seat mile, for the full year to come in flat compared with 2022, a sign that the sharp rise in air fares this year could cause revenue to become smaller as airlines add back more flights.

United also stated in their presentation to financial analysts this week that staffing issues, plane shortages and outdated technology could restrict industry capacity this year.

As we addressed in Tuesday's edition of Debrief earlier this week, [Profit Sharing](#), as provided for in Section 4.N. of our Contract, is based on our full year financial results and may vary based on corporate performance in the fourth quarter. While this was the final variable in determining the Profit-Sharing payment calculation, the corporation is forecasting pre-tax profits above the \$10 million threshold for the full 2022 year. The final result of the Profit-Sharing payout is based on corporate costs relative to corporate revenue.

## **Safety, Health & Security Committee Annual Report**

This week at our Winter 2023 Regular MEC Meeting, our MEC Safety, Health & Security Committee presented their annual report updating the United Master Executive Council on their work over the past year. During their report it was emphasized that safety is the foundation of every decision we make and every action we take as safety professionals.

Our comprehensive annual and ongoing safety training programs highlight the importance of situational awareness, paying attention to details, following standard operating procedures (SOPs), and reporting concerns through appropriate channels in keeping us and the passengers in our care safe.

The Committee noted that security is a deeply ingrained aspect of our culture and experience has shown that reminders to all of us have proven to be helpful in reinforcing the value this highlighted attention to this subject has on our overall safety and security.

For example, we are all acutely aware any number of issues compete for our attention before, during and after the boarding process. Nonetheless, during these times we need to remain alert to the presence of unauthorized items in the cabin, as well as being aware of to prevent any unauthorized person from gaining access to secured areas, including the aircraft. Due to the obvious sensitivity of this subject and the need to keep our procedures secure, we won't review those here. However, should we find ourselves in any situation where we become aware of attempts to breach security or find suspicious items in the cabin, we are all obligated to follow the Standard Operating Procedures found in our eFAOM and take the appropriate actions.

The Committee provided a number of updates on Flight Attendant reporting programs to include Inflight Safety Action Program (ISAP), Fatigue and Irregular Operations Reports (IOR). This included an overview of the influx of reports being received, reviewed and processed with the involvement of the Safety, Health & Security Committee members. Part of this reporting highlighted improvements that have been made a result of these Flight Attendant reporting initiatives.

For more information, please contact your AFA Local Council Safety, Health, and Security Committee.

## European Taxation Letter

As we do annually in support of our Members residing in Europe who may be required by the law of the country in which they reside to have a letter detailing the payment of Union dues, we've updated access to the current year "[European Taxation Letter](#)" on our MEC website. Through this link, a letter may be requested from our AFA International Office providing specific information on Union dues paid during a designated tax year.

If you have already made a request, you should begin to start receiving this letter electronically from our Membership Services Department. Keep in mind, this letter is not sent automatically. You must, in fact, make a request for it.

If you have questions, you may contact the AFA-CWA Membership Services Department at (844) 232-2228 during normal business hours, which are Monday – Friday from 9am – 5pm Eastern Time.

## 2023 Winter Regular Scheduled MEC Meeting Concludes

The public portion of the Winter 2023 Regular Meeting of the United Master Executive Council (MEC) held at the Hyatt Rosemont concluded on January 18, 2023. Today, the United Master Executive Council met in Executive (Closed) Session for a confidential update to the leadership from our MEC Negotiating Committee on their activities over the past several months.

Daily summaries will be posted on our website at [www.unitedafa.org](http://www.unitedafa.org).

## United Announces 2022 Profit Sharing

United's recent announcement of our airline's return to profitability alerted all of us to the possibility of a 2022 Profit Sharing payment. Today, United released information on our individual Profit-Sharing Payments via the company's website. From Flying Together, access the *Employee Services tab >> Compensation and Incentives* to access information on our individual 2022 Profit Sharing payment.

### *Deferral of Profit Sharing to Company Retirement Plan Accounts*

Eligible employees will have the opportunity to contribute a portion of their profit-sharing payments to their eligible company-sponsored retirement plan account, which include the United Airlines 401(k) Savings Plan, United Airlines Flight Attendant 401(k)

Plan, Pilot Retirement Account Plan (PRAP), Continental Micronesia, Inc. 401(k) Savings Plan and United Airlines UK Group Stakeholder Plan. Employees with less than one year of service as of December 31, 2022.

For those of us who are Profit Sharing eligible, we may elect to contribute all or a portion of our Profit Sharing payment into our eligible company-sponsored retirement plan account. This is a one-time election which does not affect your normal election for payroll contributions to your company sponsored retirement plan account. Essentially, it a separate and additional contribution that requires you to make an active election. Making this deferral election requires that you access the [Special 401k programs link](#) on the company website to defer any portion of you Profit Sharing on a pre-tax, post-tax or Roth 401(k) basis or any combination thereof. You may specify the percentage deferred to each of these options and any remaining amount after these percentages are applied will be paid in cash.

### *Direct Deposit Payment Option*

The portion of your profit-sharing payment that is not deferred to your company-sponsored retirement plan account will be placed in your direct deposit account, if you've set one up, or you will receive a paper check. To enable direct deposit for your profit-sharing payment, you need to set up payroll direct deposit via *FlyingTogether > My Info/Manager's Toolbox > Direct Deposit*.

Additional specific information on the Profit Sharing Program can be found in the company's [Profit Sharing FAQ](#).

**If you wish to make special election modifications and/or direct deposit elections** in time to affect your Profit Sharing payment, you have **until 11:59 PM Central time on February 07, 2023 to make these changes.**

### **Profit Sharing for VSL Participants**

VSL participants are eligible to receive a Profit Sharing payment as outlined in the VSL program documents.

### **Reminders:**

JAN 22 – Lunar New Year

JAN 29 – CQ 2022p1 Winter Trimester CBT DUE by 2359 Central Standard Time

JAN 31 – Union Plus Scholarship Application Deadline

