

Mr. Carsten Spohr Chairman

Dear Mr. Spohr,

I write to you today on behalf of the ETF affiliates representing workers of the Lufthansa Group in Germany, Switzerland, Austria, and Italy who are working closely together to ensure a fair and sustainable recovery of the Lufthansa Group and crucially to protect its workers jobs and standards of work.

We have been made aware of the creation of a new entity within the Lufthansa Group, Eurowings Discover which is a rebrand of the previously announced leisure brand "Ocean". We understand that operations are likely to begin operations later this year, and initially was due to acquire 11 long-haul aircraft based in Düsseldorf, Frankfurt and Munich but has since learned that the company is also growing its fleet to include short-haul operations which are likely to compete directly with or replace the services of other Lufthansa Group brands.

While the group is creating this new brand, there is significant job losses across the Lufthansa Group, including the complete closure of the Germanwings operation in April 2020, a third of the workforce in Eurowings, 22,000 jobs in Lufthansa, 650 workers in Austrian, and may more to come across the network. We understand that Eurowings Discover has opened up recruitment for the creation of 600 jobs, but LHG workers are being required to undergo new assessments and are being offered inferior salaries and working conditions. This will force the Lufthansa Group to recruit externally when it already has a pool of qualified and well trained staff within the group.

The main concern of the ETF and our affiliates is the creation of a social dumping brand within the Lufthansa Group. We have previously seen many attempts in the past number of decades to create "low-cost" brands within major airline companies but those who have attempted to undercut labour standards have all failed. We are deeply concerned that Lufthansa will use cheaper workers, and other flag of convenience practices to reduce labour and other costs to the detriment of workers, and society as a whole. Crucially, a reduction of labour standards can lead to a reduction in safety and operational standards as has been proven in the past at varying degrees of severity. In most cases the Lufthansa Group has managed to maintain good labour, safety and operational standards but we are concerned that this path will lead the Group down a road to worse operational and safety standards, but it has previously failed to do this in its lowcost brands such as Germanwings. Therefore, the undermining of the existing high level of labour standards in the Lufthansa Group is a serious concern of ours and must be addressed.

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The demands of the ETF and our members are clear, we do not want yet another wet-lease operation within the Lufthansa Group with the sole purpose of undermining existing labour standards. Currently the Lufthansa Group continues to add complexity to its network through the operation of flights by wet leased companies (such as those with Helvetic) across multiple jurisdictions and varying standards of work. In some cases, the workers in these airlines are represented by unions who protect their basic labour standards, but in others this is not the case. As a minimum, Lufthansa Group management should encourage all its brands to engage in collective bargaining and social dialogue, as a basic right which is enshrined in both European and International law.

While we recognise the need of the Lufthansa Group to react to the market and wish to support it in its efforts, that reaction must not be to race to the bottom and lower social and labour standards for its workers. The model imposed by large low-cost airlines in Europe has proven to go against the spirit of fundamental labour rights, and therefore it is not a blueprint for the creation of a new entity.

Given this, we are calling on the Lufthansa Group to ensure management of its respective brands will engage in social dialogue with our affiliated unions with immediate effect if this does not currently exist in a coherent and permanent fashion. Consideration should also be given to the further development of dialogue across the Lufthansa Group which we feel has not been as effective as it can be. Crucially, both workers and employers need to come out of this crisis together, and therefore we must engage in social dialogue early to ensure the smooth creation of any new entities and the transition through any necessary change processes with fairness and openness at the core of such discussions.

We hope Lufthansa Group will be in a position to commit to this and look forward to continued engagement.

In solidarity,

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Livia Spera Acting General Secretary

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