

Info Package Cockpit

Base Palma de Mallorca (PMI)

***** IMPORTANT *****

The information contained in this document is only a non-binding provision of information and does not constitute binding contractual conditions.

In case of any questions please do not hesitate to contact us via mail:

eweu.cockpit.hrservices@eurowings.com

Index

A. Remuneration.....	3
B. Home Bases	5
C. Employment Contract	6
D. Route Network and Duty Regulations.....	6
E. Working Times and Holiday.....	7
F. Recruiting, Employee Selection and Upgrading	8
G. Training and Education.....	9
H. Miscellaneous.....	10

A. Remuneration

1. What does the remuneration structure of Eurowings Europe look like?

Remuneration is made up of the following components:

- a) Basic remuneration
- b) Previous experience supplement
- c) Sector remuneration
- d) Special payment (13th/14th monthly salaries)
- e) Function-dependent remuneration
- f) Additional expenditure on the cost of meals

Basic remuneration

- Depending on their level of employment, the employee receives one gross monthly salary on an aliquot basis
- Co-pilot: € 3,146 (1st – 5th years of duty), € 3,814 (from 6th year of duty onwards)
- Captain: € 5,579 (1st – 5th years of duty), € 6,678 (from 6th year of duty onwards)
- € 360 of this basic remuneration will be paid free of tax.
- Dead head journeys are compensated by basic salary

Previous experience supplement

- Captains receive a supplement to their basic annual remuneration of € 4,600 per 1,000 FH hours flown as captain on turboprop aircraft or jet with maximum TOW of over 19.5 t at the time of recruitment. The maximum number of hours of previous experience recognised is 8,000. A fourteenth fraction (1/14) of this annual supplement is added to the gross monthly salary and special payment (13th/14th monthly salaries).
- If the sum of monthly basic remuneration and monthly previous experience supplement in years 1-5 is lower than € 6,678, then the basic remuneration is raised to € 6,678 in the 6th year, and the previous experience supplement lapses from the 6th year.
- If the monthly total of basic remuneration and previous experience supplement in years of duty 1-5 is higher than € 6,678, the basic remuneration is raised to € 6,678 in the 6th year, and the previous experience supplement reduced to the extent that the total of the new basic remuneration and reduced previous experience supplement corresponds to the total of the old basic remuneration (years 1 – 5) and the original, non-reduced previous experience supplement (ACTUAL salary does not change).

Sector remuneration

- Co-pilot: € 50 per sector (1st – 5th years of duty), € 65 per sector (from 6th year of duty onwards)
- Captain: € 100 per sector (1st – 5th years of duty), € 130 per sector (from 6th year of duty onwards)
- If 15 minutes or more pass between the aircraft taking off and landing (airborne time), then this flight is counted as a sector.

- Dead head flights and simulator activities are not counted as sectors within the meaning of the definition given above, and are not taken into account when calculating the number of sectors flown in a calendar year, and their remuneration.
- The employee is only entitled to be paid additional sector remuneration if more than **205 sectors** (the “tripping limit”) are flown for Eurowings Europe in a calendar year. The employee will receive additional sector remuneration for every sector flown in a calendar year for Eurowings Europe beyond the "tripping limit" (currently 205 sectors). Additional sectors will be paid on a monthly basis after the tripping limit has been reached.
- If the employee joins or leaves the company in the course of the year, or the employment is part-time, then the tripping limit is aliquoted accordingly.
- The period of consideration of sector-counting (and a possible aliquot-factor) starts with the first day of line training in the aircraft.

Special payment

- All employees receive one month’s basic salary as a special payment on 30 June each year (holiday bonus) and one month’s basic salary as a further special payment on 30 November each year (Christmas bonus).
- The gross basic monthly salary (basic remuneration + any previous experience supplement) on 1 June of the year in question is used as the basis for calculating the holiday bonus, while the gross basic monthly salary (basic remuneration + any previous experience supplement) on 1 November of the year in question is used as the basis for calculating the Christmas bonus.
- Employees joining and leaving the company during the year are entitled to the aliquot part corresponding to their duty time in the calendar year, while this is calculated according to the last monthly salary for employees leaving the company.

Function-dependent remuneration

- **TRE (Type Rating Examiner) / TRI (Type Rating Instructor):**
When serving as a TRE/TRI, the Employee receives € 25 per sector route training duty/line check plus sector remuneration (as long as tripping limit reached) and € 205 per simulator activity (no sector remuneration for simulator activities)
- **LTC (Line Training Captain):**
In addition to the basic salary, the Employee receives € 15 per sector in route training duty/line check when serving as an LTC, plus sector remuneration (sector remuneration only where tripping limit reached)

Additional expenditure on the cost of meals

- The employee receives € 2.20 to cover additional expenditure on the cost of meals for every hour of absence begun beyond the immediate local area (the ‘local area’ being defined as anywhere within a 25 km radius of home base) during a period of flight duty, arranged training activity, arranged office activity or simulator activity.

- During flight duties, this time begins with OFF-block time at home base and ends there with the ON-block time.

In the case of training activities, training sessions or office activities outside the immediate local area, this time begins when the employee leaves home base according to schedule, and ends when the Employee actually arrives back at the home base.

2. If sectors exceed additional sector remuneration, how and when are these paid?

Additional sector remuneration is paid on a monthly basis, together with the employee's salary for the month after the month when the additional sectors are flown.

3. How many sectors can I expect to fly in a working day?

It is industry average for point to point carriers like EWEU to fly 2 to 4 sectors in a working day.

4. How many sectors can I expect to fly in a year?

The number of sectors flown in a year depends on the network structure, seasonal production and the regulations of EASA OPS.

5. How do extended absences impact sector remuneration?

Basic remuneration is paid irrespective of the number of sectors flown (duration and height of payment higher than regulated by Spanish law).

6. Where and how is my salary taxed?

Basic remuneration is paid irrespective of the number of sectors flown (duration of payment according to Austrian law). In case of sickness the average numbers of sectors flown by your specific group of employees will be accounted for.

B. Home Bases

1. What home bases are there?

The company headquarter is located in Vienna. Bases are located in Vienna, Salzburg and Palma de Mallorca.

2. Is it possible to apply for a specific home base?

You can express a preference for a particular location when making your application. This will then be taken into consideration wherever possible. If the company is unable to meet your preference for a specific home base location, alternatives will be offered if possible.

3. Is it possible to switch between home bases?

You can switch home base as long as operational requirements make such a move possible.

4. What are the most probable reasons under which the employer can change my Homebase?

Whenever the number of aircraft is reduced on a particular Homebase. In case of upgrading, it might be necessary to relocate a crewmember.

5. Will my terms and conditions of employment change if I switch home base?

Yes, your terms and conditions of employment have to be adapted to the standard contract for each Homebase.

C. Employment Contract

1. Do you offer limited contracts?

No, only unlimited contracts will be offered.

2. Do pilots get a Spanish employment contract?

Yes. All pilots based in Spain get a Spanish employment contract. They conclude an employment contract directly with Eurowings Europe, an Austrian company of the Lufthansa Group.

D. Route Network and Duty Regulations

1. What route network is planned?

The route network will mainly cover destinations in Europe and neighbouring medium-haul destinations.

2. What will my typical working day look like (turnaround times, etc.)?

You can generally expect to fly daily tours covering 2 to 4 sectors in a typical day. This could vary during the year, however, depending on the season. Turnaround times will range between 35 and 60 minutes.

3. What system is used to design the duty roster?

Designing the duty roster is the responsibility of the employer, taking statutory requirements into consideration. Since there is a need for flexibility, particularly during our start-up and growth phases, a flexible duty roster is currently being used (“flexible roster” – not a fixed pattern roster).

4. When will the duty roster be published?

The duty roster will be published with the legally-required lead time. This is currently 10 days before the beginning of the month.
The planning period covers one month.

5. Is a request system used?

Yes, it is possible to request 4 days off a month – either consecutively, or 2 blocks of 2 days each.

6. How are dead head journeys regulated? How are these settled? Do they count as duty time?

Generally rotations begin and end at the employee’s home base. Dead head journeys will be the exception rather than the rule, therefore.
If dead head journeys do become necessary, however, then they will be treated in accordance with EASA OPS as far as creditable duty time is concerned. Dead head journeys are compensated by basic pay and not counted as sectors.

7. What exactly do rest times and flight duty times look like in the current EASA-OPS framework?

See: <https://www.easa.europa.eu/regulations/flight-standards-implementing-rules.php>

E. Working Times and Holiday

1. How much do pilots at Eurowings Europe work?

Flight duty times conform to EASA-OPS guidelines. How much a pilot eventually flies in a particular month will depend on the route network and productivity of their location.

2. How many days holiday are granted?

Holiday entitlement corresponds to statutory regulations, which in Spain is 30 working days per working year. At least half of the holiday (15 calendar days) must be consumed between the months of November and February.

F. Recruiting, Employee Selection and Upgrading

1. Who carries out the pilot selection (committees)?

The selection process is carried out by Eurowings Europe itself. Experienced selection captains from Lufthansa Group airlines and management representatives from flight operations at Eurowings Europe are represented on the selection committee.

2. What entrance tests will I need to pass?

The extent and content of entrance tests takes into consideration applicants' prior experience and any information available regarding their activities in the Lufthansa Group. The selection process conforms to the standards and criteria of Lufthansa Group and the guidelines of the aviation authorities responsible.

3. Does an applicant already have to have an A320 Type Rating?

Although an existing A320 Type Rating is desirable, it is not a prerequisite for an appointment. If an applicant who has been accepted does not yet have an A320 Type Rating, Eurowings Europe will organise this.

If the new appointee then leaves the company within 2 years, costs of EUR 25,000 for a Type Rating or EUR 10,000 for a CCQ will need to be repaid on an aliquot basis.

4. How are open captains' positions filled?

In principle, open positions for additional functions are awarded to the most suitable candidates. If the necessary increase in personnel and availability of suitable candidates for the positions needing to be filled allow, priority will be given to internal first officers (assuming they meet the formal criteria and are suitable) over direct-entry captains when filling captains' positions.

5. How is a trainee captain remunerated during their upgrading?

Positively selected applicants are considered as Fast Track F/Os from 3500h (over 19.5t). They receive a F/O remuneration. With reaching 4000h, the Capt. remuneration will be paid automatically from the next month. The start date of the upgrading-process is flexible and depends on the training capacity.

In the case of negative performance during the upgrading-process (failure policy), a downgrade to the F/O remuneration occurs. After a waiting period of 12 months, there's the next possibility to participate at the next upgrade course. After successful final check, the Capt. remuneration will be paid out.

6. What criteria are used for becoming a captain?

A number of different factors are taken into consideration. First and foremost, your suitability for a captaincy will be checked. This can be done by means of the latest SIM checks, for example. Professional experience will also be an important factor, but not the only one.

7. Is there a seniority list?

No. It is not intended to use a base-related seniority list either. If the necessary increase in personnel and availability of suitable candidates for the positions to be filled allow, priority will be given to internal first officers (assuming they meet the formal criteria and are suitable) over direct-entry captains when filling captains' positions.

G. Training and Education

1. How are pilots integrated into regular operations? Where are they trained?

In principle, line training for both captains and F/Os is carried out within our own company. Pilots can be trained at other airlines if required. Type Ratings are carried out by LAT (Lufthansa Aviation Training), usually at the Vienna base.

2. How is training remunerated during the Type Rating?

As a rule, the employment relationship starts with the beginning of the Type Rating or OCC.

3. How will I be remunerated during Line Training?

Line Training is paid according to the remuneration structure shown in Point A.

4. Will there be refreshers for applicants with valid type rating but with no active experience?

This needs to be settled individually. The level of training and necessary proficiency will be homogenous.

H. Miscellaneous

1. How is staff travel regulated?

Each employee is given access to 'myIDTravel'. This can be used to purchase ID tickets on the routes of Wings Airlines during the first 6 months of employment. It subsequently becomes possible to purchase ID tickets of other airlines outside the Wings Group as well.

2. Who will bear the costs of my uniform?

The company bears the costs of the initial fitting. Cleaning costs are borne by the employee, and the uniform is washable in principle.

3. Does Eurowings Europe pay for the necessary medicals?

Standard market costs of medicals of EUR 150 are compensated on a lump-sum basis.

4. How are meals on board regulated?

Since expenses are paid for any time spent away from home on duty, including flight time, the costs of food are borne by employees themselves.

Annex I

Taxation and Social Security at Palma de Mallorca Base

Purpose

The purpose of this document is to roughly outline the taxation and social insurance of crews employed at our base in Palma de Mallorca. While Eurowings Europe will take care of the monthly withholdings tax (for purposes of the personal Income Tax) and personal social security contributions (the so called “cuota obrera”), the ultimate responsibility to correctly declare and pay taxes in Spain and Austria as well as social security contributions in Spain rests with the employee.

The content of this document has been compiled with meticulous care and to the best of our knowledge. However, we cannot assume any liability for the up-to-dateness, completeness or accuracy of the content.

Legal Background

Based on the double tax treaty between Spain and Austria (signed 1968), employees of an Austrian airline company that derive their income from international flights originating in Spain (or vice-versa originating in a foreign country with destination Spain) are only to be taxed in Austria as regards to their Personal Income Tax related to the work-contract with Eurowings Europe.

For the taxation of any other worldwide income not related to the work-contract with Eurowings Europe, the employee has to declare and pay taxes in the country in which he is resident, for tax purposes. For example: provided that the employee meets the requirements to be considered tax resident in Spain, he must pay taxes in Spain, if he obtains worldwide income other than employment revenue, which shall be declared in Austria. Consequently, employees considered as Tax Residents in Spain, would have to prepare and submit two Income Tax Returns:

- One in Austria, regarding solely the employment’s remuneration
- One in Spain, for the rest of their worldwide income (if it exists)

In contrast, social security contributions have been recently reformed and are governed by European Regulation (465/2012) which determines the Spanish social security scheme to be applicable for Spain-based airline crews.

Nonbinding Examples (EUR)

Gross Income received from an Austrian Airline	Social Security (Spain)	Income Tax (only from employment) (Austria)	Net Income (approximate)
100.000	2.775	31.152	66.073
50.000	2.775	11.191	36.034
30.000	1.905	4.203	23.892
20.000	1.270	1.222	17.508

Important to Know

As already highlighted, while the legal withholdings for Austrian Personal Income Tax and employees Spanish social security are handled by Eurowings Europe, each employee is ultimately responsible for personal taxes and contributions. Also, employees in Spain are responsible to obtain a personal tax number as well as a social security number.

Likewise, employees are responsible for submitting income tax statements in Spain and/or Austria if local regulations require this (given an employee's personal circumstances). In order to support employees, Eurowings Europe grants a yearly allowance (500 EUR) to cover for additional expenses related to personal tax declarations.

Eurowings Group