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**By registered mail / Sent in advance by
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Bern, May 27, 2021
PH

Consultation on Mass Layoffs: Statement of the Unions / Staff Associations / PEKO of the Ground Staff

Ladies and Gentlemen,

Swiss is experiencing turbulence. Not just "Swiss" as a company, not just the Swiss economy, no – the pandemic has led entire economic and social systems into a global crisis. In Switzerland, trade unions / staff associations / PEKOs and companies have moved closer together during the crisis. We, the social partners of Swiss, are campaigning for aviation and for Swiss in particular with political, societal and social actions.

With a unique aid package of federal guarantees of around 1.3 billion Swiss Francs and extended periods of entitlement to short-time work allowance, the Swiss population paid their tribute for the second time to maintain an airline with Swiss hubs and its jobs.

The slogan "Back in the Air" has unified an alliance within the aviation industry between employer organizations, employees, economic players and tourism. Together, we have highlighted the necessity of the tripartite approach of risk-based health protection, digital proof of being Covid-free after testing, vaccination or recovery, as well as international standards, addressing the public, parliament and the government.

"Through the crisis with all employees – without layoffs." Following the 'Klühr claim', the social partners of the ground staff followed the company's request and negotiated a "Crisis CLA" during the period of validity of the original CLA (!) – as an act of solidarity, in order to maintain the company and especially the jobs in

Switzerland in the long term. Therefore, the members of all three unions and staff association have approved this "Crisis CLA".

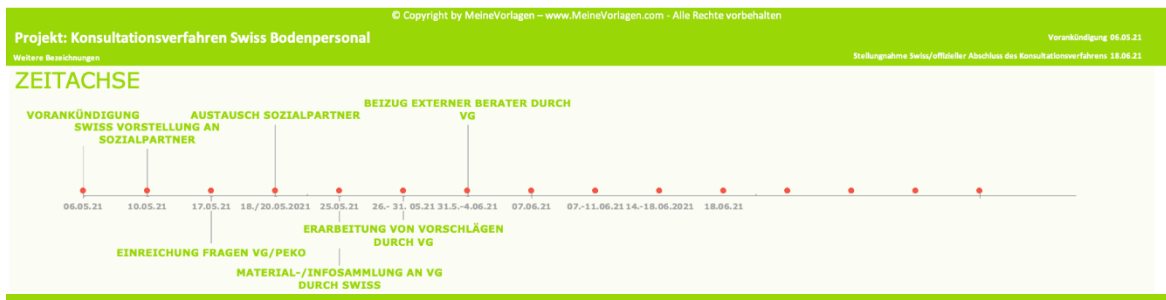
In the spring session of 2021 of the Federal Council, we successfully asked for the competence regulation in favor of the Federal Council to extend the short-time work allowance.

It was to be expected that the Federal Council would decide on a further extension of short-time work allowances on May 12, 2021, which we have brought to the attention of Swiss CEO Dieter Vranckx.

In contrast to regular short-time work allowances, which relieve the company of personnel costs to overcome temporary losses, this has a much more profound impact during the Covid-19 crisis: "Freezing" is the buzzword – no structural adjustments until the pandemic is under control; with a macroeconomic focus, neither the labour market nor economic or social conditions shall be significantly adjusted due to the crisis. It is not without reason that on May 26, 2021, the Federal Council envisaged a transition strategy with three strategic thrusts in order to provide the best possible support to employees and companies that are confronted with a lower demand in the medium term.

Swiss benefits from all these measures and confronted us on May 6, 2021 in a 30-minute call with the serious deliberation of wanting to carry out a mass layoff at the present time – in misjudgement of all our successful support functions and recommendations.

On May 10, 2021, we were shown rudimentarily the possible effects on the ground staff. Within a few days, we submitted a catalogue of questions and a timetable for exercising the statutory right to consultation to Swiss. The aim of the consultation process is to develop feasible and sustainable proposals and measures with which dismissals can be avoided, their number limited and their consequences mitigated. To ensure this, we worked out a serious, ambitious, but in our opinion realistic consultation schedule. We presented this to Swiss, combined with the offer for a "participation window", on May 20, 2021, as announced.



PROJEKTDDETAILS

DATUM	MEILENSTEIN	Detail
06.05.21	Vorankündigung	
10.05.21	Swiss Vorstellung an Sozialpartner	
17.05.21	Einreichung Fragen VG/PEKO	
18./20.05.21	Austausch Sozialpartner	
25.05.21	Material-/Infosammlung an VG durch Swiss	
26.- 31. 05.21	Erarbeitung von Vorschlägen durch VG	
31.5.-4.06.21	Beizug externer Berater durch VG	
07.06.21	Eingabe & Präsentation "umsetzbarer" Projektskizzen	
07.-11.06.21	Umsetzungsprüfung Swiss	
14.-18.06.21	Umsetzungsplanung / Verwerfungen / Anpassungen	
18.06.21	Stellungnahme Swiss/offizieller Abschluss des Konsultationsverfahrens	

On May 21, 2021, 5.49 p.m., Swiss informed us that they do not agree to this procedure and that they would only extend their unilaterally issued consultation period from May 25 to May 27, 2021 due to the two public holidays (Ascension Day and Whit Monday).

On May 25, 2021, we have received written answers to our questions from Swiss, which we requested as a basis for developing our proposals in the consultation process. Numerous benchmarks were still missing, such as which departments at which locations/cantons would be affected by the intended mass layoffs and to what extent.

The rejection of our request to extend the consultation period until June 18, 2021 remained factually unfounded. We were only informed that Swiss considered an extension of two days to be sufficient.

The contracting unions / staff associations of the Swiss ground staff and the PEKO

a) find that Swiss

- failed to provide evidence of proper implementation of the legal consultation procedure
- did not provide the required information we requested in a timely manner or in a useful form
- they prevented proper completion of the procedure by setting an unnecessarily tight deadline,
- showed no willingness to find solutions in exchange with the social partners,
- withheld proof of their due report to the responsible cantonal offices until now,

b) state that with this procedure dictated unilaterally by Swiss,

- the legally compliant exercise of consultation rights is rendered impossible,
- the examination of the Federal Council's decisions of May 12, 2021 (in particular the second extension of short-time work allowances) Swiss had promised was neither recognizably performed nor presented,
- measures of the current reopening decisions by the Federal Council have not been considered since May 6, 2021,
- the value and appreciation of the mutually negotiated CLA, which was supported by the staff in a ballot vote, is called into question,
- compliance with the purpose of public investments and sacrifices is called into question,
- profound cuts in the company structure are being made before the fruits of the multi-faceted measures and staff commitment can be harvested or before their effects can be measured,

c) demand that Swiss suspend all restructuring measures during the second phase of their entitlement to short-time work allowances due to the constantly changing situation and that any planned measures based on updated forecasts, considering market developments in the coming months at the end of this "second phase", while adhering to proper social partnership procedures. We also demand that Swiss continue to take up and improve the previous voluntary measures (including early retirement, workload reductions).

The undersigned unions / staff associations and the PEKO recognize the currently extreme challenges for the company. We want to protect Swiss as a company and

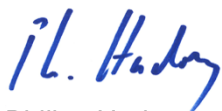
the Swiss economy from premature structural adjustments to a "flagship of Swissness" with serious consequences and we expect an adequate approach and compliance with procedures. In our opinion, this is the only way to ensure that we fill the social partnership that has been developed over the past few years with its due meaning and quality.

We look forward to your valued comments as soon as possible, by May 31, 2021, at the latest. We prefer to invest our energy in the security of jobs and thus also in development with innovation and the future of this exciting company, instead of having to have the existing differences judged by the courts.

We remain waiting in the expectation that you will not turn down this opportunity to the still "outstretched hand" of the social partners of the ground staff and give Switzerland as a workplace the chance it deserves.

Best regards,

SEV-GATA - Groundstaff Aviation
Technics and Administration



Philipp Hadorn, former National Councilor
President, Trade Union Secretary SEV

Kaufmännischer Verband Schweiz



Caroline Schubiger, Head of Occupation and Consulting

VPOD Luftverkehr



Stefan Brülisauer
Regional Secretary

Swiss Personalkommission



Christian Widmer
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