



DEUTSCHE LUFTHANSA AG ANNUAL GENERAL MEETING 2024

Key Messages of the CEO Carsten Spohr

– PRE-PUBLICATION – THE SPOKEN WORD PREVAILS –

REVIEW 2023

- 2023 was the third best year in our company's history in economic terms.
- For the first time, all our airlines were profitable; Austrian Airlines, Brussels Airlines, Discover Airlines, Eurowings, SWISS and Lufthansa Technik achieved record results.
- We welcomed 123 million passengers on board – 20 percent more than in the previous year.
- Everyone benefits from our economic strength:
 - For the first time since 2019, we are again proposing a dividend of 30 cents per share to our shareholders.
 - We are paying our employees more than half a billion euros in profit-sharing bonuses agreed with the social partners.
 - We are investing record amounts to improve customer satisfaction and meet our ambitious climate targets.

LUFTHANSA GROUP: PRESENT & FUTURE

- Our clear goal is to consistently deliver the premium experience our customers have come to expect from us.
- We are fully committed to this goal and have established a task force to sustainably improve operational stability, punctuality, customer service, customer communication, and baggage processes.
- We continue our transformation from an aviation group to a global airline group.
- Our multi-hub, multi-airline, multi-brand business model remains the core of our strategy and the key to our success.



- We are further developing the Lufthansa Group and making it
 - more focused by consistently concentrating our portfolio on the core business of our airlines: We have completely divested ourselves of the catering business and expect to complete the sale of the payment specialist AirPlus this summer.
 - more international by becoming less dependent on our home markets: We continue to expect a positive decision from Brussels on the acquisition of ITA Airways in the summer. Lufthansa Technik is working on expanding its locations and international presence.
 - more efficient by making even better use of synergies within the Group and adapting structures: For example, we are securing our planned growth on long-haul routes with Lufthansa City Airlines through competitive feeder services.
- With our airlines, we are present in all relevant customer segments and markets – in business and leisure travel, internationally and regionally.
- Demand for air travel remains strong. Leisure travelers continue to book more First and Business Class flights, and business travel continues to recover, especially on transatlantic routes.
- However, strong demand continues to be offset by several supply constraints. Delayed aircraft and seat deliveries, unplanned engine overhauls, and ongoing labor shortages, as well as the need to train new hires at system partners and suppliers, are just a few examples.
- Employer of choice: We hired more than 13,000 new employees in 2023 and received more than 300,000 applications in total. We plan to hire another 13,000 people this year. Employee turnover is in the single digits and employee satisfaction across the Group has returned to pre-crisis levels.
- Despite ongoing delivery difficulties, we expect to take delivery of some 20 new aircraft this year as part of the largest fleet modernization in our history. In total, we have more than 250 latest-generation aircraft in our backlog.
- The first A350 with our new Allegris cabin entered service on May 1, 2024. In total, we will install more than 31,000 new seats in our Group's long-haul aircraft; every new intercontinental aircraft will be equipped with Allegris or its SWISS Senses counterpart ex-factory.
- Allegris and SWISS Senses stand for a consistent premium experience with which we are once again setting standards in the industry – and this is just the beginning of our major product offensive.
- Premium was and is our promise to our guests. For us, premium is also a question of attitude and our way of remaining successful in the highly competitive environment of the future.



- In 2024 alone, we plan to invest 4.5 billion euros in new aircraft, cabin interiors, lounges, ground processes, personal and digital services, and our people.
- More air travel also means more demand for maintenance, overhaul, and repair services. With "Ambition 2030", Lufthansa Technik has launched an ambitious growth program to further expand its leading global position.
- Lufthansa Cargo is also ideally positioned to benefit from the continuing growth of e-commerce, for example.

IMPORTANCE OF AVIATION & FRAMEWORK CONDITIONS

- Our mission to connect people, cultures and economies has never been more relevant.
- Every day we create opportunities for dialogue and cross-border cooperation. Our airlines connect the countries of our continent with each other and Europe with the world.
- On the occasion of the European elections, four aircraft of the A320 family will carry the slogan "Yes to Europe" instead of the usual livery, in a show of support for democracy and a united continent. This is the prerequisite for a strong location and a strong economy.
- We need a policy that sees aviation as an opportunity, but unfortunately, at least in Germany and at the EU level, we are not seeing enough of that at the moment.
- While the industry has long since recovered everywhere else in Europe, Germany is lagging behind. The reason for this is above-average location costs.
- Flying in Germany is already the most expensive in the EU. Taxes and fees at German airports have risen by more than 80 percent since 2019 – and now the air traffic tax has gone up again as of May 1.
- Then there are EU regulations that weaken the competitive position of European airlines, distort competition to our detriment, and squander their environmental benefits.
- Example Fit for 55: A flight from Barcelona via Frankfurt to Tokyo will cost around 230 euros more in 2035 due to EU regulations. If you change planes in Istanbul instead of Frankfurt, it will only cost 35 euros more.
- If air travelers switch to hubs outside the EU in the future, where the additional burden is significantly lower, neither domestic air travel nor the climate will benefit.



- Fit for 55 requires airlines to use two percent sustainable fuel, known as Sustainable Aviation Fuels (SAF), for all flights departing from Europe by January 1, 2025.
- The Lufthansa Group is one of the world's largest purchasers of SAF – but if the Lufthansa Group used all the SAF available worldwide, our fleet would only be able to fly for a few weeks.
- We can only use more SAF if available quantities increase rapidly, and prices fall. We are working on this in more than 20 partnerships with research and industry, but we cannot tackle the task of making new fuels available on our own.
- Policymakers need to promote the production and use of sustainable fuels – setting blending quotas alone is not enough. Other countries, such as the US, show how it can be done.
- In two years, we will be celebrating the 100th anniversary of Lufthansa. We can look back on a proud tradition, which we combine with innovation – because we are committed to the future.
- We will continue to develop and create added value for everyone: for our customers, for our employees and, of course, for you – our shareholders. We have everything we need: from the right strategy to the best team in the industry.