

FLYING TOWARDS CLIMATE FAILURE



An analysis of the seven biggest European airline groups

Greenpeace briefing

GREENPEACE



Published by

Greenpeace in Central and Eastern Europe
Wiedner Hauptstraße 120-124
1050 Wien/Vienna/Austria

© June 2022

CONTENTS

Introduction	4
Aviation is fueling the climate crisis and war	6
Evaluation of the European airline industry	7
Key findings of the report by Observatorio RSC	10
Key findings – general overview	10
Key findings – climate responsibility and commitment	12
Key findings – social & employer responsibility and commitment	15
Key findings – dividends and incentives	18
Key findings – lobbying	20
Greenwashing in the airline industry	23
Good and bad practices in the aviation sector	28
Key findings of the report by Observatorio RSC per airline	30
Lufthansa Group	30
Air France-KLM	32
The International Airlines Group (IAG)	35
Ryanair	37
easyJet	40
SAS	42
TAP Air Portugal	45
Conclusions and political demands	47
What should airlines do?	48
What should the EU and governments do?	49

Introduction

Globally, aviation is a major contributor to rising greenhouse gas emissions (GHG). In recent years, annual emissions from aviation have [increased](#)¹ by 4-5%, up to the start of the COVID crisis in 2020. Although the pandemic has led to a temporary decline in aviation emissions, air travel [is projected](#) to return to its skyrocketing pre-pandemic levels as early as 2024. Without political action to counter its growth prospects, the aviation industry will become one of the biggest emitting sectors globally and by 2050 it will have consumed up to a [quarter of the global carbon budget](#) for achieving the 1.5°C Paris Agreement goal.

Under pressure for their skyrocketing emissions, some actors in the aviation sector have recently pledged to achieve [net-zero emissions by 2050](#). But no company in the sector has pledged to effectively cut greenhouse gas emissions in order to achieve real-zero decarbonisation.² Instead, the industry and political leaders are relying on excessive optimism about false or technological solutions, such as carbon offsetting, electric planes and alternative fuels that are either ineffective, harmful for the environment or a long way from being viable in the coming decades or easily available at the required volumes. [Researchers](#) have highlighted that these “technology myths” are stalling the necessary progress in climate policy for aviation. While other transport sectors, such as rail and road, can – to a certain extent – directly use electricity based on renewable sources such as solar and wind power, similar solutions do not yet exist for aviation. The goal of real-zero emissions will not be achieved without a significant reduction in flights.

European aviation sector

Aviation has been the [fastest growing source](#) of transport-related greenhouse gas emissions in the European Union in recent decades. While Europe has reduced its greenhouse gas emissions overall by more than 30% since 1990, emissions from aviation have more than [doubled](#) and have been a major contributor to the trend of rising transport emissions in Europe. Carbon pollution from flying in Europe has risen by a staggering 26% in the last five years (before the pandemic) and airlines rank among the biggest [carbon emitters](#) in Europe in 2018.

The European air transport sector directly employs up to [2 million people](#) and supports around [5 million jobs](#). As such it has an important role in the EU's economy, contributing about €300 billion, or 2.1%, to European GDP according to the [European Commission](#). But while airline executives and shareholders have racked up profits over years, job insecurity for aviation workers has increased. Airline workers are seeing their wages, working conditions and social security protections worsen, and their ability to effectively influence collective bargaining has decreased, a concern raised by the [European Transport Working Federation](#) (ETF) and unions across Europe.

Historically, airlines and airports have enjoyed an increasingly liberalised EU market and have been heavily subsidised with public money through VAT and tax exemptions, state aid, bailouts, loans, as well as research and development support. This has distorted markets for decades to the benefit of aviation above green mobility. For example, airlines are exempt from kerosene taxes and VAT consumption tax on international tickets, while railway companies pay high energy taxes and rail tolls. On top of this, European airlines still receive large amounts of their emissions allowances – permits to pollute under the EU's Emissions Trading System – from the EU for free.

¹ All sources available online are directly hyperlinked from this document. Please use the online version for sources.

² For the difference between net-zero VS real-zero, see section on “greenwashing”.

The European airline sector is dominated by privately owned companies. While many have followed an aggressive dividend policy in order to attract shareholders, the lack of financial resources elsewhere has made companies more vulnerable to crises and prevented them from investing in green and sustainable technologies. To add to this, lobbying of EU institutions by the airline sector over the years, both directly or through their industry associations, has undermined many attempts to regulate the high climate impacts of the industry.

In the wake of the Coronavirus pandemic and the resulting travel restrictions, global and European air travel has plummeted to an all-time low, plunging the sector into crisis. As a result, European airlines – some of Europe’s biggest polluters – have sought and received an [unprecedented €41.9 billion](#) in state aid and government bailouts. The seven biggest airline groups of Europe alone have [received over €30 billion](#) in COVID support funds.

Despite multiple statements by EU member states that the recovery needs to be climate proof, and despite agreement at EU level that recovery funding should do no significant harm to the environment, governments have failed to impose [conditions that protect our environment and airline workers](#) on airline bailouts. European governments and airlines should be held to account for the use of taxpayers money and need to engage in a real just transition that furthers the interests of people and the environment.



© Marten van Dijk / Greenpeace

Aviation is fueling the climate crisis and war

Russia's invasion of Ukraine, that has devastated the lives of millions of people in Ukraine, has also led to a major disruption for the European airline sector with companies suspending flights to and over Russia, Belarus and Ukraine, and kerosene soaring prices. The war in Ukraine is driving up the price of fuel representing a [quarter or more of airlines' cost base](#).

As airlines [expect another difficult next twelve months](#), there is a high risk that the ongoing war in Ukraine will make the companies which received billions in the wake of the COVID crisis even more dependent on public support funds in the long term. [Finnair, which](#) is particularly affected by Russia-EU airspace sanctions, has already announced a [new cost cutting](#) programme including the conversion of a state loan.

Dependence on crude oil for transport is fueling conflict and climate change

About [70% of all crude oil imports](#) into the EU go to the transport sector to power cars, trucks and planes. The European transport sector, and with it aviation, is highly dependent on [crude oil imports from conflict-ridden and risky parts of the world](#), including Russia (about 27% of oil imports), Iraq (9%), Saudi-Arabia and Nigeria (both 8%). Oil exports are the [biggest source of income for Russia](#).

In 2019,³ the EU-28 consumed [64.7 million tonnes](#) of jet fuel, which is produced from crude oil in refineries. Around 25% of this oil comes from Russia, therefore about a fourth of European flights are powered by oil that is financing the Kremlin's war in Ukraine.

[Greenpeace estimates](#) that by replacing short-haul flights in the EU with reasonable train alternatives and by replacing 30% of all business flights with virtual technology, the EU could save around 8 million tonnes of jet fuel annually, thereby freeing up to 4 billion Euros, calculated at current market prices for Russian crude oil.⁴

³ 2019 was the last "normal" year in transport, and also the latest full year of reporting in Eurostat.

⁴ The Urals crude oil price was [72.13 USD/barrel](#) on April 19, 2022, with the exchange rate being [0.923 USD/EUR](#). One barrel of crude oil is equivalent to around 0.136 metric tonnes. The calculation of the fuel savings is explained in the Greenpeace [analysis](#).

Evaluation of the European airline industry⁵

Greenpeace commissioned the research institute [Observatorio de Responsabilidad Social Corporativa](#) (Observatorio RSC) to conduct an analysis that would critically scrutinise the European airline industry before and after COVID-support funds by examining **the environmental - social - governance (ESG) responsibility, commitment and performance** of the seven biggest European airline groups (based on 2019 revenues): Lufthansa, Air France-KLM, International Airlines Group (IAG), Ryanair, easyJet, SAS and TAP Air Portugal.



© Paul Langrock / Greenpeace

⁵ Greenpeace has summarised the main findings of the [report by Observatorio de Responsabilidad Social Corporativa](#) in this briefing.

Airline	Commercial subsidiaries ⁶	Revenues (billion EUR, 2019)	Employees (2019)	Passengers (millions, 2019)	Bailout (billion EUR, 2020)	GHG ⁷ (million tonnes, 2019)
 Lufthansa	Austrian Airlines, Brussels Airlines, Swiss, Eurowings	36.4	138,000	145	9	44.1
 AIRFRANCE / KLM	Air France, KLM, HOP!	27.2	83,000	104	12.77	34.2
 BRITISH AIRWAYS / IAG IBERIA	British Airways, Iberia, Vueling, Aer Lingus	25	63,500	118	3.64	39.91
 RYANAIR	Lauda, Malta Air, Buzz	7.9	16,800	152	0.67	12.54
 easyJet		7.65	15,000	96	2.24	10.44
 SAS Scandinavian Airlines		4.4	10,445	30	1.14	4.21
 TP AIRPORTUGAL		2.91	9,000	17	1.72	unknown

The report by Observatorio RSC places a special focus on analysing the credibility of a company's climate pledge. Almost two years after European airlines received substantial COVID government support funds, the report also details the extent to which these bailouts and loans have led to improvements on ecology, transparency and just working conditions.

Researchers examined the commitments and performance of the airline groups with regard to four thematic areas with subcategories related to ESG criteria:

1. Climate Change: how the company manages its climate impact

- The company's policy and commitments to climate protection
- The company's environmental management system
- The company's greenhouse gas emissions

2. Social and Employment: how the company manages the relationship with its employees

- The company's workforce structure
- The company's labour rights
- The company's equality and non-discrimination policies, activities and commitments

3. Dividends and Incentives: how the company handles its payment of dividends to shareholders and of incentives to leaders and executives

- The company's payment of dividends and regulation
- The company's pay of incentives and regulations for incentives

4. Lobbying: how the company exercises its lobbying activities

- The company's lobbying transparency
- The company's lobbying ethics

Data was derived from public sources, including annual company reports, sustainability reports, annual accounts, policies and internal regulation documents relating to the years 2018–2020⁸.





⁶ Not all subsidiaries are listed here.

⁷ GHG emissions = greenhouse gas emissions

⁸ The report is based on documents published prior to November 30, 2021. Greenpeace has added some more recent information in this briefing.

Based on a set of 339 indicators⁹, researchers set a corporate responsibility score of up to 100 percent that airlines could reach in each respective area analysed. A low score indicates a low level of responsibility and commitment of the airline in the respective field. An overall score for each airline was calculated according to a weighting scheme for each area.

The following table shows the weighting scheme for each of the thematic areas analysed, illustrating the extent to which the weighting for any particular area influences the overall score. As the research is particularly focused on climate responsibility, the thematic area “climate change” with its indicators had the highest weighting, representing 50% of the overall score.

THEMATIC AREA	WEIGHT PERCENTAGE OVERALL SCORE
 <p data-bbox="596 994 791 1021">CLIMATE CHANGE</p>	<p data-bbox="999 958 1078 999">50%</p>
 <p data-bbox="564 1193 823 1220">SOCIAL & EMPLOYMENT</p>	<p data-bbox="999 1137 1078 1178">20%</p>
 <p data-bbox="572 1379 815 1406">DIVIDENDS & INCENTIVES</p>	<p data-bbox="999 1317 1078 1357">15%</p>
 <p data-bbox="628 1559 727 1585">LOBBYING</p>	<p data-bbox="999 1507 1078 1547">15%</p>

Read more about the methodology in the Observatorio RSC [full report](#).

⁹ For the complete list of indicators, please see [full report](#) ANNEX 1.

Key findings of the report by Observatorio RSC



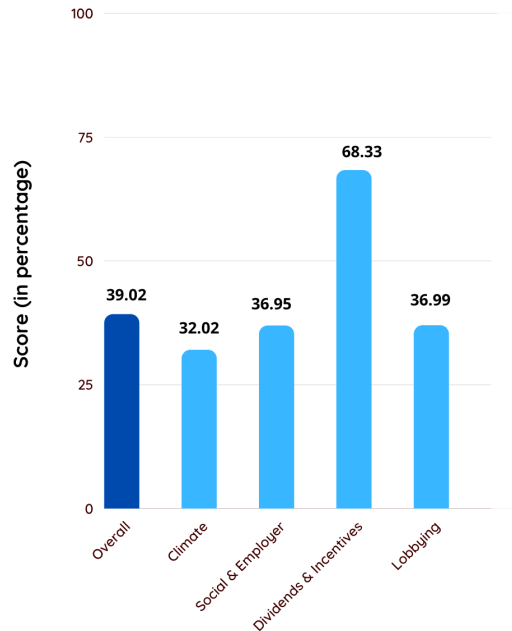
© Lorraine Turci / Greenpeace

Key findings – general overview¹⁰

The report finds a substantial need for improvement on corporate environmental, social and governance responsibility, commitments and performances of European airlines, with an average overall score of only 39%. Low scores, especially in the areas of climate and social & employer responsibility, indicate that the airline sector is a highly unjust and climate-damaging sector.

¹⁰ The following summary is based on the findings of the [report by Observatorio RSC](#).

The report finds that despite bailing out the biggest European airlines with COVID support funds worth over 30 billion Euros, European governments have failed to secure improvements on ecology, transparency and just working conditions, despite assurances by many European governments for a green recovery from the COVID crisis.



Greenpeace has used the following colour system for the assessment of the indicators in the following sections. Please note that Greenpeace has highlighted certain indicators from the report, and the tables below do not represent all of the indicators analysed in the full report.

Green	The indicator is sufficiently fulfilled.
Yellow	Good, but needs improvement to be considered sustainable.
Orange	Better than nothing, but it is not sufficient (too weak, too unambitious...).
Red	The indicator is not fulfilled at all, or the company fails to publish data.
Grey	The indicator is not applicable, or, regarding the usage of SAF, no data are available.

Key findings – Climate responsibility and commitment

Airline (listed according to revenue)	Climate pledge					
	Company climate score	Commitment for carbon-neutrality (including offsets) by 2050	Commitment for full decarbonisation (without offsets) by 2040	GHG emission reduction and/or carbon efficiency ¹¹ targets for 2030	Short-term GHG emission reduction and/or carbon efficiency targets (5 years)	Annual GHG emission reduction targets
	%	yes/no	yes/no	yes/no and description	yes/no and description	yes/no
Lufthansa	39.41	yes	no	yes minus 50% of total emissions compared to 2019 (net)	no	no
AIRFRANCE KLM	33.34	*yes	no	yes minus 30% of emissions per passenger-km (compared to 2019), equivalent to 12% of total emissions, but only for Air France	no	no
BRITISH AIRWAYS IAG IBERIA	41.12	yes	no	yes carbon efficiency target only	yes but not ambitious enough (minus 11% in fuel efficiency)	no
RYANAIR	21.33	*yes	no	yes minus 10% of emissions per passenger-km (compared to 2019)	no	no
easyJet	31.37	*yes	no	no	yes but not ambitious enough (minus 10% per passenger-km)	no
SAS Scandinavian Airlines	48.57	yes	no	no	yes minus 25% of total emissions by 2025 (compared to 2005)	no
TP AIR PORTUGAL	8.99	no	no	no	no	no

*Air France-KLM: *Commitment for carbon-neutrality (including offsets) by 2050 - yes*











*Ryanair: *Commitment for carbon-neutrality (including offsets) by 2050 - yes*

*easyJet: *Commitment for carbon-neutrality (including offsets) by 2050 - yes*



© Lorraine Turci / Greenpeace

¹¹ Carbon efficiency targets typically refer to efficiency parameters, such as emissions per passenger-km, but do not include targets for absolute reductions in emissions.

	Improved climate targets due to public COVID-pandemic related funds	Sustainable aviation fuel (SAF) usage, but not excluding agrofuels ¹²	Quantity of SAF used	Origin of SAF known	Investments in renewable e-kerosene (power-to-liquid)	Uses or offers offsets	GHG emissions per passenger-km 2018-2019 ¹³	Remuneration of managers connected to climate performance	Integrity/credibility of climate pledge
Airline	yes/slightly/no, and description	yes/no/future/unknown	tonnes and year	yes/no and description	yes/no /unknown	yes/no	gram CO ₂ e/pkm	yes/no and description	high/medium/low /very low/ non existent
 Lufthansa	no	yes	10,000 tonnes in 2021 (appr. 0.1% of total fuel consumption)	no	yes	yes	92.1	yes, but the lack of annual climate targets limits the effectiveness of this measure	very low
 AIRFRANCE  KLM	no	yes	6,900 tonnes in 2019 (0.08% of total fuel consumption)	no	unknown	yes	79.5	no	very low
 BRITISH AIRWAYS  IAG  IBERIA	slightly (a higher emissions reduction goal has been set)	yes	unknown	no	unknown	yes	90.8	yes, but the lack of annual climate targets limits the effectiveness of this measure	very low
 RYANAIR	no	planned for the future	-----	-----	unknown	yes	66	no	very low
 easyJet	no	yes (since 2021)	unknown	no	unknown	yes	70.1	yes, but the lack of annual climate targets limits the effectiveness of this measure	very low
 SAS Scandinavian Airlines	slightly (a higher emission reduction goal was set: minus 25% emissions by 2025 instead of 2030)	yes	670 tonnes in 2020, enough for only 30-40 flights	partly yes* "but one of main providers is in the palm oil business which is strongly linked to deforestation and biodiversity loss"	unknown	yes	95	no	very low
 TP AIRPORTUGAL	no	unknown	unknown	----	unknown	yes	96.5	no	non existent

*Ryanair: Sustainable aviation fuel (SAF) usage, but not excluding agrofuels¹² - Planned for the future

*EasyJet: Sustainable aviation fuel (SAF) usage, but not excluding agrofuels - yes (since 2021)

*Lufthansa Group: Investments in renewable e-kerosene (power-to-liquid) - yes

On average, European airlines score only 32% on climate responsibility and commitment due to their poor emissions performance and lack of credible and effective climate policy and commitments.

- Six of the seven airline groups analysed aim to become “carbon-neutral” by 2050. Most companies have not even backed their long-term pledges with short-term and annual climate goals, absolute emission reduction targets, or explicit and credible carbon reduction paths. No airline commits to full decarbonisation by 2040, which [would be needed to keep global warming below 1.5C°](#). Instead, airlines rely on

¹² Agrofuel is one type of SAF. The colour grading here indicates whether a company excludes agrofuels from its SAF usage.

¹³ Trains in the EU emit 33 grams of CO₂ per passenger-km on average. Hence, even those airlines with slightly lower emissions per passenger than others still have more than double the emissions of trains. For this reason, “orange” is the best possible rank here.

ineffective carbon offsetting as a fundamental part of their emission reduction strategies. Consequently, the airlines' climate pledges have a very low degree of integrity.











- Despite having received billions of Euros in public COVID support funds, only two out of seven airlines have slightly improved their GHG emission reduction targets in the bailout year 2020.
- All seven airlines rely largely on inadequate, false and/or environmentally harmful solutions for cutting emissions, such as carbon offsetting or so-called sustainable aviation fuel (SAF), many of which are based on agrofuel, and bet on technological innovation that will not be viable or have the capacity to handle aviation volumes and growth for decades to come.
- Five out of seven airlines analysed use sustainable aviation fuel (SAF),¹⁴ and one has announced its intention to start using it. However, only three airlines report on the share of SAF used. In the case of Air France-KLM, SAF only accounted for 0.08% of the company's total jet fuel consumption in 2019. Only Lufthansa invests in e-kerosene made from 100% renewable electricity, but the amounts produced and used are at a very low level.
- Only three of the seven airline groups analysed link the remuneration of senior airline managers to (weak) environmental criteria. However, given the lack of annual emissions reduction or other climate targets of airlines, the effectiveness of this measure is questionable.
- Before the COVID pandemic, airline GHG emissions were rising. In 2019 the seven biggest European airlines alone were responsible for 170 million tonnes of GHG emissions, equivalent to more than the total annual emissions of Norway, Sweden, Denmark and Finland combined. The GHG emissions of just one airline, Lufthansa, are more than the total emissions of Finland. Despite these huge amounts, only one out of the seven airline groups analysed commits to any absolute reductions in CO₂ before 2050.

¹⁴ SAF can be made from various sources and origins. Currently, the most popular SAF is agrofuel and those made from waste. Greenpeace opposes the use of agrofuel, since the production of raw materials consumes large areas of land and often destroys unique biodiversity and compromises indigenous human rights, as in the case of the production of palm oil. SAF from waste is acceptable from an environmental perspective but the availability of waste will never be enough to supply the whole aviation sector. The only SAF acceptable to Greenpeace for the remaining flights that cannot be shifted to rail or prevented are those sourced from 100% renewable energy, e.g. e-kerosene or potentially green hydrogen.

Key findings – social & employer responsibility and commitment

	Social responsibility score	Reports to have collective agreements covering at least 80% of workers ¹⁵	Provides information about temporary workers	Provides information outsourcing & subcontracting of workers	Reduction of employees during COVID year 2020	Change of employees numbers from 2017 to 2020
Airline	%	yes/no and percentage	yes/no and percentage	yes/no	%	%
 Lufthansa	19.21	only for Germany, 83%	no	no	-9.13	-2.2
 AIRFRANCE	60.79	no	yes, 5%	no	-8.71	-5.61
 KLM						
 BRITISH AIRWAYS	60.97	yes, 86%	yes, 5%	no	-8.21	-4.09
 IAG						
 IBERIA						
 RYANAIR	26.4	no	no	no	-13.04	5.37
 easyJet	31.16	no	no	no	-1.25	19.75
 SAS Scandinavian Airlines	42.06	yes, 99%	no	no	-34.01	-22.92
 TP AIRPORTUGAL	18.06	no	no	no	-24.77	-42.63

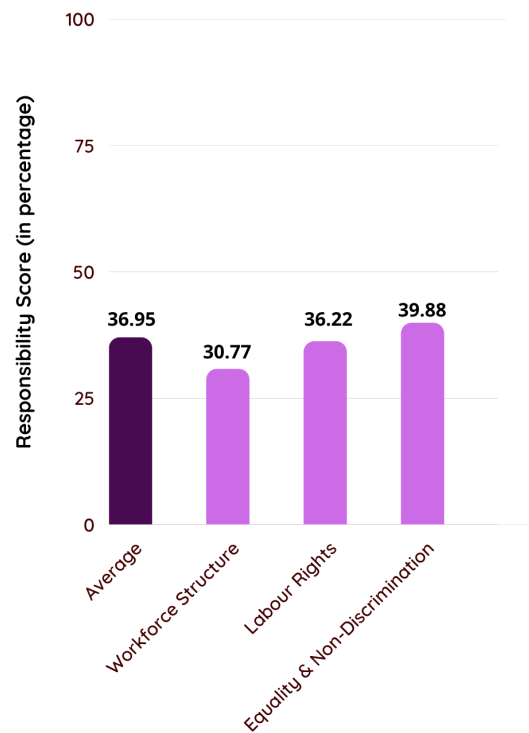
¹⁵ Below 80%, red; above 80% but not reported for the whole group, orange; 80 to 90%, yellow; above 90%, green.

	Reports on the existence of a certified occupational health & safety plan	Percentage of women on board of directors (2018) ¹⁶	Percentage of women on board of directors (2020)	Ratio of CEO remuneration to average salary (2018) – indicates how much more a CEO earns	Ratio of CEO remuneration to average salary (2020) – indicates how much more a CEO earns	Promotes inclusion of people with disabilities & reports on number of people with disabilities	Reports on pay gaps related to gender, age, and between individual occupational groups
Airline	yes/no	%		multiple of 1 CEO		measures / numbers / comments	yes / no / comments
 Lufthansa	no	35 → 35	66.36 → 94.19	measures	no		
 AIRFRANCE	yes	41 → 41	13.03 → 29.44	measures and numbers	no		
 KLM							
 BRITISH AIRWAYS	no	33 → 45	68.52 → 29.41	measures and numbers	yes		
 IAG							
 IBERIA							
 RYANAIR	no	33 → 40	57.84 → 64.58	no	gender only in 2018		
 easyJet	no	33 → 45	29.38 → 15.94	measures	only gender for UK only		
 SAS Scandinavian Airlines	yes	50 → 36	40.75 → 21.52	no	no		
 TAP AIRPORTUGAL	no	17 → 27	unknown → unknown	measures; numbers only for Portugal	no		

On average, European airlines score only 37% on social and employer responsibility and commitment. This is mainly due to large workforce reductions, low transparency over outsourced work contracts and the share of temporary and part-time contracts, as well as a poor performance on inclusion issues.

¹⁶ Below 30%, red; below 40%, orange; below 50%, yellow; 50% or more, green; in addition, a change of 10% or more from 2018 to 2020 leads to a better/worse assessment by one grade.

Social & Employer Responsibility Score










- Despite significant taxpayer support through public COVID support funds, on average, European airlines have reduced their workforce by 14% between 2019 and 2020. None of the airline groups analysed has committed to maintaining employees despite the public financial support. Reductions are not accompanied by a commitment to recovering employment after COVID, nor to facilitate job reintegration for laid-off employees. It is generally not expected that workforce numbers will go up again, and some airlines have even announced further decreases in their staff numbers. The first available data for 2021 for some companies shows that staff numbers have further decreased. Combined with the need for a reduction of flights, there is an urgent need for a just transition process – but there is no sign of this in the aviation sector.
- Despite the historically good image of airlines regarding labour rights, the report finds significant weaknesses in this area. Only SAS and IAG report having collective agreements covering more than 80% of the workforce. Six out of seven airlines were confronted with strikes between 2018 and 2020, with Ryanair and Lufthansa standing out for the highest number of strikes, and Air France-KLM for the scale of strikes.
- The ratio of the CEO remuneration to an average salary is high in the sector – meaning that CEOs earn very much in relation to average staff. Lufthansa has the highest ratio: in 2020 a CEO earned about 94 times the average salary. At Ryanair, a CEO earned 64 times the average salary in 2020. Despite the COVID crisis, the ratio of the CEO remuneration to the average salary even increased for half of the airlines analysed.
- Generally the reporting culture on equality and non-discrimination policies is poor. Only IAG reports on age and gender pay gaps as well as pay gaps due to different

occupational groups. Only two companies report on the number or percentage of employees with disabilities.

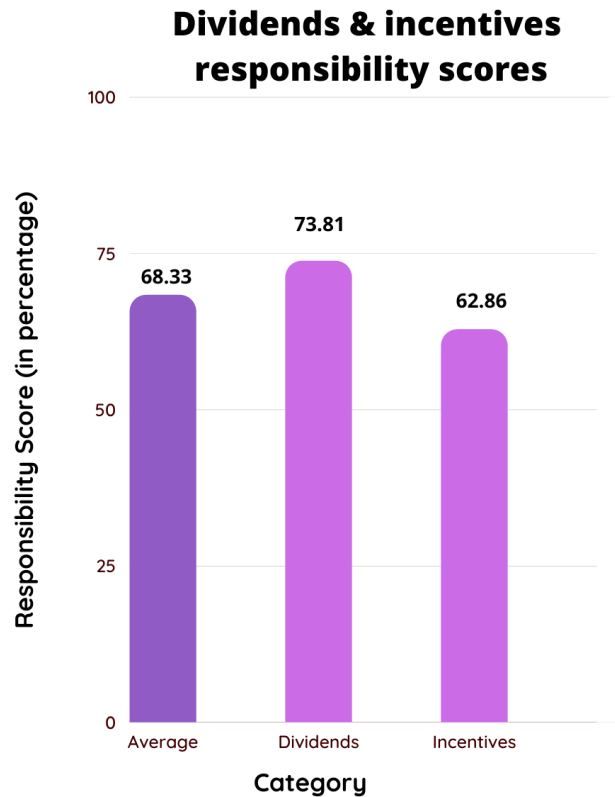
- Women are underrepresented on the boards of directors in all the airlines analysed, and especially as their chairs. The percentage of women on the board of directors in 2020 ranges between only 27 and 45%, and only Air France-KLM's board is chaired by a woman.
- Only SAS and Air France-KLM report the existence of a certified occupational health and safety plan for workers. Working with independent external experts on health and safety issues is considered important to detect weaknesses in health and safety workplace reviews and to implement improvements.

Key findings – dividends and incentives

	Dividends & incentives responsibility score	Payments of dividends from 2018 to 2020 ¹⁷	Bonus payments to executive managers in 2019 ¹⁸	Bonus payments to executive managers in 2020	ESG criteria linked to variable remuneration (focus on climate change)
Airline	%	million/billion EUR and year(s)	million EUR		description
 Lufthansa	88.33	380 million (2018)	9.92	 1.06	30% of the remuneration are based on reduction of CO2 emissions (not further specified)
 AIRFRANCE KLM	58.33	0	0.37	 0.77	15% of the remuneration are based on "environmental commitments and CSR targets", but not specified
 BRITISH AIRWAYS IAG IBERIA	73.33	1.88 billion (2018 to 2019)	3.40	 0	"CO2 efficiency metric included" (not further specified)
 RYANAIR	85	0	2.97	 2.31	environmental targets mentioned, but not specified
 easyJet	48.33	635.5 million (2018 to 2020)	1.22	 0	climate change-related targets are mentioned, but not specified
 SAS Scandinavian Airlines	85	0	0.18	 0	not specified, not related to climate change
 TAP AIR PORTUGAL	40	0	unknown	unknown	unknown

On average, airlines score 68.33% on dividends & incentives, which represents the highest score among the corporate responsibility and commitment areas. The relatively high score is mainly due to the low number of dividends that have been paid-out. The economic situation experienced by the sector in 2020 has caused large losses and consequently many

airlines have not distributed dividends and in many cases have frozen incentives to managers.













- Four out of the seven airlines analysed did not pay dividends from 2018 to 2020. However, the three exceptions have paid out large sums to shareholders. For example, IAG paid more than 1.3 billion Euros to shareholders in 2019 alone. This is 3.7 times the amount which IAG plans to invest in alternative fuels over the coming 20 years. In addition, high dividends paid by these airlines increased the need for public bailouts and therefore show a lack of responsibility towards ensuring resilience during the crisis.
- A majority of airlines offered high bonus payments to their managers, which increased the need for public support during the COVID crisis. Air France-KLM even increased these bonus payments during 2020 when the COVID pandemic started.
- Six out of the seven airlines analysed have some environmental-social-governance (ESG) criteria attached to the variable remuneration of managers, with five referring to climate protection and environment. However, these criteria are not specified clearly enough and in the best example, only 30% of the remuneration is linked with non-financial criteria

¹⁷No payments of dividends from 2018 to 2020: green. Moderate payments in 2018 and/or 2019: yellow. High payments in 2018 and/or 2019 as well as any payment in 2020: red.

¹⁸ No bonus payments in 2020: green. A reduction of more than 75% in 2020 compared to 2019: yellow. A slight reduction in 2020 compared to 2019: orange; an increase in 2020 compared to 2019 or no data published: red.

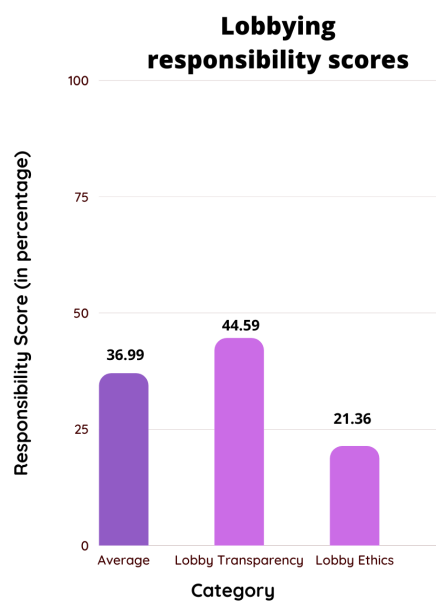
Key findings – lobbying

Airline	Lobbying responsibility score	Listed in the EU Transparency Register	Lobby Transparency			
			Reports on being listed in national transparency registers	Discloses financial expenses for lobbying	Reports on public aid / bailout lobbying	Reports on labour regulation lobbying
	%	yes/no	yes/no/comments	yes/no/comments	yes/no/partly	yes/no
 Lufthansa	39.9	yes	no - listed in the German register from 2022 onwards	no	partly	no
 AIRFRANCE  KLM	58.41	yes	yes	yes, but not for individual lobbying organisations	no	no
 BRITISH AIRWAYS  IAG  IBERIA	43.56	yes	no	no	no	no
 RYANAIR	29.7	yes	no	no	no	no
 easyJet	49.43	yes	no	no	no	no
 SAS Scandinavian Airlines	26.59	no ¹⁹	no	no	no	no
 TAP AIRPORTUGAL	11.82	yes	no	no	no	no

¹⁹ Registration in the EU Transparency Register is only required if lobbying takes place at EU level. There is no evidence that this is the case for SAS; therefore, the evaluation and colour grading here are considered as “neutral” or “not applicable”.

Lobbying ethics				
	Lobbying against stricter climate regulations	Supports offsetting scheme CORSIA	Bans contributions to political parties, candidates, foundations	Board of directors and senior management have received training in environmental and/or social issues
Airline (listed according to revenue)	yes/no/unknown	yes/no/unknown	yes/no/comments	yes/no
Lufthansa	yes	yes	no	no
AIRFRANCE KLM	yes	yes	yes	no
BRITISH AIRWAYS IAG IBERIA	yes	yes	yes	no
RYANAIR	yes	yes	no policy, but claims not to make contributions	no
easyJet	yes	yes	yes	no
SAS Scandinavian Airlines	yes	yes	no	no
TP AIRPORTUGAL	unknown	unknown but likely	no	environmental no, social yes

On average, European airlines score poorly for lobbying responsibility with 37%, mainly due to the low level of transparency and their endeavours to undermine climate policy through lobbying.



- All but one of the airlines analysed are members of at least two industry lobbying associations which are active at the European level. While six out of the seven airlines are listed in the EU transparency register, only Air France-KLM reports on being listed in national transparency registers, while Lufthansa is starting to do this from 2022 onwards. The companies usually provide only the minimum information required.
- Only Air France-KLM discloses its total lobbying expenses, but none of the airlines analysed reports how much is spent on specific lobbying interests and groups. Full transparency on lobbying expenses is crucial to know the key political priorities for companies.
- The reporting on lobbying activities related to social and financial regulations is outstandingly poor. Only Lufthansa provides some information on their lobbying in relation to the COVID crisis.
- The report finds that European airlines specifically target environmental regulation through lobbying to undermine climate policy, while promoting voluntary measures as alternatives. Most airlines tried to influence e.g. the EU Renewable Energy Directive and the Energy Tax Directive in order to prevent higher airline taxes and energy costs. No airline supports any national aviation tax regime, and most airlines are specifically lobbying against them. Most airlines explicitly support the global offsetting scheme CORSIA which Greenpeace considers to be greenwashing as it undermines the development of a pathway for airlines to fully decarbonise.
- Only three airlines have policies in place that explicitly ban contributions to political parties and their candidates. Out of the four airlines without policies, one claims not to contribute to political parties and their candidates. Financial contributions to political parties and their candidates risk creating a conflict of interests. This can be particularly problematic if political decision makers who have received financial contributions from airlines have to impose stricter regulations on the aviation sector. As airlines oppose stricter national and EU climate policies, there is a clear risk that new ambitious regulations on climate could be softened or delayed due to financial contributions from airlines.
- None of the airline managers have received training related to environmental aspects. This is important to ensure better knowledge and understanding of the climate and biodiversity crisis before performing lobbying activities on environmental legislation.

Greenwashing in the airline industry

What is greenwashing?

[Greenwashing is a PR tactic](#) that is used to make a company or product appear environmentally or climate friendly without meaningfully reducing its environmental impact. The [Cambridge Dictionary](#) definition of the verb 'greenwash' is "to make people believe that your company is doing more to protect the environment than it really is". In line with this, the promotion of false solutions, the financial sponsorship of climate initiatives such as the global climate conference, as well as over-emphasising and advertising of 'green' actions, is defined in this report as greenwashing.

What is a false solution?

A 'false' solution is a climate solution presented by governments or companies that has either proven to be actively harmful to the planet and/or communities, or is so severely under-researched or developed at such a small scale that it cannot be seen as a substantial alternative that will lead to significant reductions in GHG emissions. This includes carbon offsetting, agrofuels, fuels made from waste or large battery-electric planes.

More fuel-efficient planes are not a false solution as such, but they will never be sufficient to achieve decarbonisation. In addition, it is ecologically questionable when new planes replace older planes before the end of their lifetime and/or when older planes are transferred to other companies and countries (as typically Northern airlines sell their old aircraft to poorer countries in the Global South).

Sustainable Aviation Fuel

So-called Sustainable Aviation Fuel (SAF) is an umbrella term for a variety of relatively new types of jet fuel intended to replace fossil fuel based kerosene.

Certain fuels produced from renewable electricity (e-kerosene and potentially green hydrogen) could allow airlines to reduce greenhouse gas emissions over the long term for those drastically reduced and [remaining flights](#) that cannot be avoided or shifted to rail. Hydrogen is currently produced mainly from fossil materials; the widespread deployment of fuels produced from renewable electricity will take time, and there will inevitably be increasing competition for these fuels with other sectors such as the steel industry. Sustainable aviation fuel based on biomass or waste is either non-sustainable or unavailable in sufficient quantities that would make a difference to decarbonising aviation.

Before the COVID pandemic, less than [200,000 tonnes of sustainable aviation](#) fuel were produced globally, a tiny fraction of the 300 million tonnes of jet fuel needed by commercial airlines in a normal year. The International Energy Agency (IEA) expects that [SAF will make up 19% of airline fuels by 2040](#), meaning that 81% will still be fossil-fuel based kerosene. This projected development of SAF is clearly not ambitious enough to bring aviation in line with the Paris Agreement.

Despite these limitations, together with carbon offsetting, SAF is the most popular 'strategy' for airlines to reduce emissions in the long-term and its promotion is often used by companies to appear 'green'. However, airlines lack the short-term strategies that are needed to decarbonise aviation in line with the Paris Climate targets over the next eight years.

Types of so-called SAF

- **Agrofuels made from plants** (typically from oilseed): Globally, the most popular oil used for agrofuels is palm oil. However, the use of palm oil for agrofuels is highly problematic for the climate and the environment. Palm oil is mainly produced on plantations in tropical rain forest areas such as Indonesia and Malaysia which are associated with [deforestation](#) and devastating impacts on biodiversity as well as food security, human rights, and access to drinking water. Palm oil is by far the worst agrofuel in terms of environmental destruction, but similar problems are linked with soy oil from the Amazon. But even the production of European oilseed is associated with negative ecological impacts, mainly because its production consumes a lot of energy and entails a high demand for agricultural land that could otherwise be used to produce food for people. The land-use for domestically produced agrofuel will therefore lead to higher imports of other agricultural products from overseas, often associated with deforestation.
- **Agrofuels made from waste:** The easiest waste to transform into kerosene-like fuel are used plant oils from kitchens. While this could be an ecological option, the quantities of used cooking oil will never be sufficient to become the main energy source for the whole aviation sector. For example, in Germany only around [250,000 tonnes](#) of natural oil and fat waste are generated per year, equal to around 3% of the country's annual kerosene consumption. As the biggest share of used cooking oil is already used to produce agro-Diesel for road transport, its potential for aviation is even further limited.
- **E-kerosene (or Power-to-Liquid):** E-kerosene is synthetic kerosene made from electricity and a carbon source, e.g. CO₂ and/or carbon-containing waste, which can be used in existing planes and with existing plane technologies. E-kerosene is one of the few alternative fuels that can be produced in a relatively eco-friendly way. For this to happen, however, the electricity must come from 100% renewable sources (sun, wind, geothermal energy, etc.) – and this is not a done deal at this stage. Scaling up production is possible, but requires a significant investment in the production of green electricity as well as in the research and development of this technology. There is also competition with other sectors for renewable electricity and, even in the most optimistic scenario for the development of e-kerosene for aviation, it will be necessary to reduce air traffic to bring the sector in line with the Paris Agreement. Because all other modes of transport are more energy efficient, as many flights as possible must be shifted to other public transport such as trains. E-kerosene is currently only available in tiny quantities and at high prices. The first and only global commercial e-kerosene production site in [Germany](#) currently operates at a capacity of 25,000 litres per year, equivalent to just 0.00004% of the total [annual jet fuel demand in the EU](#).
- **Green hydrogen:** As with e-kerosene, green hydrogen must be produced from 100% renewable electricity in order to be sustainable – and this is far from being the case at the moment. No carbon source is needed to produce green hydrogen, and it is already developed to a point where it could be produced on a large scale. The big disadvantage of green hydrogen is that there are no commercially available aircrafts that can be operated with it yet. The development of new plane technology based on hydrogen will take decades – far too long to achieve full decarbonisation of aviation by 2040. As with e-kerosene, there is also competition with other sectors for renewable electricity.

Carbon offsetting

Carbon offsets are when a polluter that has emitted greenhouse gases exchanges or 'offsets' their pollution with a 'credit' for carbon captured by someone else. It is a licence to keep polluting in exchange for carbon credits from e.g. tree planting or nature conservation projects that promise to save emissions in the future. However, research has shown that many of these projects do not actually lead to any savings in emissions.²⁰

When airlines buy offsets for their emissions or offer to 'offset' their passengers emissions voluntarily, they are in fact not reducing emissions or changing the damaging impact of their emissions caused by the burning of fossil jet fuel in the atmosphere. Instead, the money for offsetting flows into projects that may or may not save emissions at some point in the future. An [investigation by Unearthed-Greenpeace](#) has shown that many large European airlines are supporting offsetting projects that were "saving" forests that weren't really under threat, or investing in schemes that are not even expected to last long enough to effectively offset the emissions created by fossil fuels. Some forest protection schemes were even directly run by logging companies which had built roads through rainforests.

Net-zero carbon neutrality VS real-zero decarbonisation

Most airlines commit to carbon-neutrality (or "net-zero") by 2050. This sounds good but carbon-neutrality does not mean that the airlines will fully phase-out fossil fuels by then. Airlines will likely only replace their use of fossil fuels to the extent that is easily possible and which will not be enough to bring aviation in line with the Paris climate targets. For the remainder of their emissions they plan to buy carbon offsetting certificates. Real-zero decarbonisation means reducing and stopping CO₂ emissions. It means full speed ahead towards effective regulations that set limits on polluting modes of transport, a decrease in demand for transport, a real prioritisation of climate-friendly modes of transport and the transformation of the transport system into one that consumes less energy and uses 100% renewable sources. Greenpeace calls for a full decarbonisation of aviation by 2040, which means a complete phase-out of all fossil fuels, with a reduction in air traffic and the replacement of fossil fuels with fuels produced from 100% renewable energy for the remaining air traffic.

Greenwashing tactics by airlines

The report found a wide range of greenwashing examples in the airline sector, from misleading communication and sponsorship of climate friendly initiatives (while taking no real action to reduce the climate impacts of the industry), to the promotion of wrong and/or insufficient solutions to tackle the environmental and social shortcomings of the industry, such as carbon offsetting schemes and the introduction of so-called 'sustainable aviation fuels'. There is a big discrepancy between the actual emissions reduction plans of airlines which lack credibility and the claims made by airlines in their 'green' PR.

Exaggerating a 'green' image and minimising negative impacts

Example: Ryanair claiming to be "Europe's lowest fares, lowest emissions airline"

In February 2020, Ryanair was [charged with greenwashing](#) after the UK Advertising Standards Authority banned an advertising campaign claiming it was "Europe's lowest fares, lowest emissions airline". The regulator concluded that the claims were misleading. On the [cover of its 2020 environmental policy](#), Ryanair claims to be Europe's "cleanest and greenest

²⁰ [Öko-Institut investigated](#) 5,000 CO₂ compensation projects for the European Commission in 2017. Only 2% of these projects actually lead to reduced CO₂ emissions.

airlines group”, while the report findings indicate that Ryanair receives one of the lowest scores in the climate change analysis by Observatorio RSC.

Example: exaggerating green investments

In 2017, IAG announced an investment of USD 400 million in sustainable aviation fuel production over the next two decades. However, in the following two years it did not report on any investments in SAF in its annual reports. In 2020, IAG stated that it had invested only GBP 500,000 (around EUR 570,000) in a SAF-from-waste initiative. The amount to be spent on this project annually – USD 20 million – appears tiny compared to 1.3 billion Euros which IAG spent on dividends in 2019 alone.

Promotion of climate friendly initiatives to appear ‘green’

Example: sponsorship of climate change talks

One of the elements that frequently appears in companies' information on their public relations is their participation in different events, such as those related to the definition of the United Nations agenda on climate change. For example, Iberia (a Spanish subsidiary of IAG) was a ‘silver sponsor’ of the COP25 [Climate Change Conference, held in Madrid in December 2019](#). In its 2019 Sustainability [Report](#) Iberia highlighted: “As part of the Climate Change Conference, Iberia received the award for business climate leadership given by Business Ambition for 1.5°C of the Global Compact Spain, which Iberia recently joined”. However, the environmental performance of IAG-Iberia cannot be considered to be aligned with the 1.5°C climate objective, since the company has not outlined any credible plans on how to fully decarbonise or how to reduce emissions annually.

Promoting false solutions to appear ‘green’

Example: inaccurate claims on so-called sustainable aviation fuel (SAF)

The aviation sector considers SAF – especially agrofuel and SAF based on waste – as an effective measure to reduce greenhouse gas emissions. From an environmental standpoint, agrofuels must be rejected completely due to their negative impacts on land use (such as diverting land away from food production, or impacting indigenous communities) and biodiversity. SAF from (organic) waste is more acceptable, but its availability will never be sufficient to cover the needs of aviation (and those of other sectors).

However, the fact that SAF is largely harmful to the climate and the environment or not available at a relevant scale does not prevent airlines from overemphasising their usage to appear more ecological. This allows them to associate their image with the prestige of developing new “green technologies”, which is fueling technology myths which are [stalling aviation climate policy](#).

For example, in May 2021, Air France – the French subsidiary of [Air France-KLM – announced](#) that it would be operating the first long-haul flight powered by SAF produced in France. However, the share of SAF was just 16% while conventional kerosene was at 84%, a fact which was not communicated by the company. The Dutch brand KLM was also [ordered by the Dutch Advertising Code Committee to change a claim](#), after the company had announced it was using up to 50% of biofuels, while the true amount of agrofuels accounted only for 0.18% of its total fuel consumption. Among the airlines analysed in the report, only three airlines communicate the amount of SAF used, and the amounts were insignificant compared to their overall need for jet fuel: e.g. of Air France-KLM's total fuel consumption in

2019, only 0.08% was SAF (6,900 tonnes). For the Lufthansa group, approx. 0.1% of their total fuel consumption in 2021 was SAF (10,000 tonnes).

Example: Carbon offsetting

Despite its ineffectiveness and harmful impacts on the environment, European airlines largely rely on offsetting, the key strategy declared by all airlines to achieve carbon-neutrality. For example, [British Airways announced](#) that it “will begin offsetting carbon emissions on all its flights within the UK, as part of the airline’s commitment to achieving net-zero carbon emissions by 2050” from January 2020. [BA announced that passengers could fly carbon-neutral](#) “by buying credits for protection schemes in threatened forests”. However, an [investigation](#) carried out by Unearthed-Greenpeace and The Guardian found evidence that raises serious doubts about the ability of this and other airline projects to offset emissions in line with the claims of major airlines. The investigation refers to one of British Airways’ main offsetting projects, which is being carried out in the Cordillera Azul National Park, home to several threatened species that extends into the Peruvian rainforest. This project would be exposed to risks of deforestation due to demographic pressure, making it difficult to make a realistic calculation of offset emissions. [According to REDD-Monitor](#), the Madre de Dios Project – a partner of easyJet – is run by logging companies.



© Lorraine Turci / Greenpeace

Good and bad practices in the aviation sector²¹

GOOD PRACTICE EXAMPLES

- ✓ Lufthansa started [collaborating with the federal railways](#) in Germany, Austria and Switzerland with the aim of transporting passengers between airport hubs by train instead of short-haul connection flights
- ✓ Air France-KLM is the only company that provides data on its investments in lobbying activities.
- ✓ 99.9% of SAS's employees are covered by collective agreements.
- ✓ EasyJet, IAG and Air France explicitly ban direct contributions to political parties and their candidates.
- ✓ Air France-KLM and IAG are the only airlines who disclose their share of temporary workers – which, in both cases, is moderate at around 5%.
- ✓ SAS and Air France-KLM are the only airlines who report on the existence of a certified occupational health & safety plan.
- ✓ IAG, easyJet and SAS did not make bonus payments to managers in the year 2020 when they received COVID government support funds.
- ✓ SAS is the only airline with a commitment to reduce absolute CO₂ emissions by 2025 (by 25% compared to 2005).
- ✓ TAP is the only airline with a director who has received relevant training on social issues.
- ✓ Lufthansa is the only airline explicitly investing in alternative fuels made from renewable energy (however the planned quantities for the coming years are extremely small and will never sufficiently meet the current demand for jet fuel.)

²¹ Examples taken from [full report](#) unless indicated otherwise

BAD PRACTICE EXAMPLES

- ✗ The lobbying expenditure reported by TAP is clearly too low, as the reported 10,000 Euros per year do not even cover the annual membership fee of the International Air Transport Association (IATA).
- ✗ Air France-KLM and SAS are denying the ecological benefits of national aviation (ticket) taxes.
- ✗ The dividends paid by easyJet and IAG from 2018 to 2020 reveal an aggressive strategy to attract investors. In the case of IAG, the dividends paid in 2018 and 2019 were 53% of the amount paid to them in public bailout loans during 2020. Air France-KLM even increased bonus payments for managers during 2020, the year the COVID pandemic started.
- ✗ Ryanair and KLM have both had advertisements banned by national advertising authorities for their misleading greenwashing claims. In the case of Ryanair for their claim to be “Europe’s lowest emissions airline”, and with KLM for exaggerating their use of agrofuels.
- ✗ TAP is the only airline which does not commit to a single climate reduction target, without even a vague commitment to achieve “net-zero” by 2050 as made by all the other airlines analysed.²²
- ✗ All airlines (apart from TAP, whose position is unknown) support the global offsetting scheme CORSIA over stricter EU regulation. Greenpeace opposes offsetting and CORSIA in particular due to its ineffectiveness which is counterproductive to reaching full decarbonisation.
- ✗ Lufthansa, Ryanair, TAP and easyJet do not have specific equality and anti-discrimination policies for their workforce.
- ✗ No airline has outlined a pathway on how to fully decarbonise by 2040.
- ✗ No airline is transparent about outsourcing and subcontracting staff. Outsourcing of staff is a widely raised concern among unions.
- ✗ Ryanair ([Lauda Europe](#)) and Lufthansa ([Eurowings Europe](#)) moved their business operations from Austria to Malta; according to the unions, this was done for [tax saving](#) reasons.

²² A pledge for reaching net-zero by 2050 is not enough, as this does not lead to a phase-out of the fossil fuels used. Instead, Greenpeace calls for a real-zero full decarbonisation of the aviation sector.

Key findings of the report by Observatorio RSC per airline²³

Lufthansa Group

The German Lufthansa Group is the world's third-largest global airline group (by revenue) and Europe's largest airline measured in passenger kilometres and number of aircraft. When comparing passenger numbers Ryanair is larger due to its focus on short-haul flights in Europe.

- Number of aircraft: [713](#)
- Number of passengers (2019): 145 million
- Turnover (2019): 36.4 billion Euro
- Number of employees (2019): 138,000
- Important brands and subsidiaries: Austrian Airlines, Brussels Airlines, Swiss and the low-cost carrier Eurowings.

Responsibility and commitment score



Area	Score in percentage	Lowest scored category	Highest scored category
Overall result	42.71	Social & Employment	Dividends & Incentives
Climate Change	39.41	GHG Emissions	Management System
Social & Employment	19.21	Equality & Non-discrimination	Workforce structure
Dividends & Incentives	88.33	(not applicable)	Incentives
Lobbying	39.39	Lobbying Ethics	Lobbying Activity

²³ The [report](#) is the main source used for all sub-sections. Greenpeace added some information, in particular new data published after the deadline for the report; the sources for this additional information are always indicated.

Climate Change: Due to its size Lufthansa is the largest CO₂ polluter in the European aviation sector with more than 44 mio tonnes of CO_{2e} per year in the pre-COVID years. Its total emissions have even increased between 2018 and 2019. Despite being the second-largest bailout beneficiary with 9 billion Euro from four countries, the company did not significantly improve its climate change policy and performance in 2020. Only the bailout money for Austrian Airlines was linked to a few insignificant climate provisions, like the phase-out of two domestic flights in Austria, measures that were at best symbolic from an environmental point of view and had almost no impact on the Lufthansa Group's environmental performance. In 2020, Lufthansa made a commitment to become carbon-neutral by 2050, followed by the announcement of a 2030 reduction target in 2021. But it did not present any short-term absolute emissions reduction target or annual or short term (5 years) reduction targets. Since 2020, Lufthansa reports that it has been using sustainable aviation fuel. However, the company does not provide detailed information on the origin and sources of the fuels used and therefore cannot exclude the usage of unsustainable or even counterproductive alternative fuels, making it impossible to assess whether the SAF used has had a positive or negative impact on the environment. On a slightly more positive note, Lufthansa is the only airline using e-kerosene (power-to-liquid), which is – apart from the limited waste usage – the only alternative fuel acceptable for Greenpeace if it is made from 100% renewable electricity. However, [the amounts produced are 25,000 litres per year](#), only sufficient to supply a single one-way flight.

In 2021, Lufthansa [made an agreement with Deutsche Bahn](#) and strengthened its cooperation with the Austrian and Swiss railways, with the aim of using rail instead of air to connect passengers between airport hubs, especially for short connection flights. Lufthansa's subsidiary in Austria AUA is selling code-sharing train tickets to get from Salzburg to the Vienna airport hub, after this connection was shut down as a consequence of the bailout. The rail agreement in Germany has not yet led to the phase-out of short-haul flights. The only German flight which has been phased-out by Lufthansa so far, the 150 km flight from Munich to Nuremberg, [was replaced in 2020 by a bus service directly operated by Lufthansa](#).

Lufthansa has not demonstrated that it is really willing to adapt its business model for the benefit of climate protection. Their measures at the company level are not sufficient to achieve full decarbonisation by 2040.

Social and Employment: In 2019, Lufthansa had the highest ratio of the CEO remuneration to the average salary of all seven airlines analysed. Furthermore, this ratio clearly increased in 2020 during the COVID pandemic while the company undertook the largest reduction of its workforce among all airlines analysed, with 12,577 people losing their jobs. Lufthansa Group employs a high percentage of part-time workers at 34%. Lufthansa does not report on the number and conditions of outsourced staff. The number of relevant strikes during 2018 and 2019 was exceptionally high compared to the other European airlines analysed in this report. Only one airline company analysed has a lower percentage of women on the board of directors.

Dividends and Incentives: While the Lufthansa Group reported the second-largest profit after taxes in 2018 and 2019, the company reported the third-largest loss out of the airline companies analysed in 2020 (6.7 billion Euros). Before the crisis, according to Lufthansa policy, 20 to 40% of net profit was used to pay out dividends to its shareholders. No dividends were paid in 2020 because this was a condition of all bailout funds, but nevertheless, more than 1 million Euros were given out as bonus payments – which half of the other airlines did not do. Lufthansa's dividend policy is generally well explained in public documents, therefore the company received points for transparency for this indicator.


Lobbying: Lufthansa is a member of three international and European lobbying groups (IATA, A4E and ACP). In addition, Lufthansa is engaged in national lobbying groups such as the German BDI – Bundesverband der Deutschen Industrie. In total, the company achieved fewer than 40 out of 100% in the lobbying assessment, for multiple reasons. For example, the company does not report on its membership fees and contributions to lobbying groups. It is registered in the EU Transparency Register and from 2022 it is also on the German register. In addition, public information on the issues it lobbies about is limited: Lufthansa reports on environment/climate change lobbying including the Renewable Energy Directive. Lufthansa claims to concentrate all labour regulation lobbying through their membership of the Employer's Association of the Air Transport Industry (AGVL). Lufthansa, like most airlines, supports the global CORSIA offsetting scheme – which Greenpeace strongly opposes – over domestic and EU climate change regulations. Lufthansa, like most other airlines, opposes national climate taxes. Lufthansa does not explicitly ban contributions to political parties, nor does it report on social and environmental training for senior management.


Air France-KLM





The French-Dutch Air-France KLM group is Europe's second-biggest airline group (by revenue) and the fourth-largest by passenger numbers.

- Number of aircraft: [554](#)
- Number of passengers (2019): 104 million
- Turnover (2019): 27.2 billion Euros
- Number of employees (2019): 83,000
- Important brands and subsidiaries: Air France, KLM, Hop, Transavia

Responsibility and commitment score

AIRFRANCE 



Area	Score in percentage	Lowest scored category	Highest scored category
Overall result	46.34	Climate Change	Social & Employment
Climate Change 	33.34	GHG Emissions	Management System
Social & Employment 	60.79	Labour rights	Equality & Non-discrimination
Dividends & Incentives 	58.33	Incentives	Dividends
Lobbying 	58.41	Lobby Ethics	Lobby Activity

Climate Change: Due to its fleet size, Air France-KLM is the third-largest emitter in the European aviation sector with more than 34 million tonnes of CO_{2e} per year in the pre-COVID years. The total emissions have increased between 2018 and 2019. Despite being by far the largest bailout beneficiary with almost 13 billion Euros (8 billion from France and almost 5 billion from the Netherlands), the company did not significantly improve its climate change policy and performance in 2020. Only the French bailout money was linked to a few insignificant climate provisions, such as the phase-out of a very few ultra-short-haul flights in France. But from an environmental perspective, these measures were far from sufficient and had almost no impact on Air France-KLM's environmental performance.

Like most other airlines, Air France-KLM agreed to a "net-zero 2050" target. In addition, it committed to a CO₂ reduction target of [30% per passenger kilometre](#) by 2030, equivalent to an absolute emissions reduction of 12%. However, this target only refers to Air France, not its other subsidiaries. In addition, it did not present any absolute emissions reduction targets for medium term, or any annual targets.

Air France-KLM reports that they have been using sustainable aviation fuel (SAF) since 2019. It is one of only two airlines analysed that report on the quantity of SAF used, which is very low at 0.08 % of total fuel consumption. But the company does not provide detailed information on the quantities, origin and sources of the fuels used and therefore cannot rule out the use of unsustainable or even counterproductive alternative fuels. Therefore, it is impossible to assess whether the SAF used has had a positive or negative impact on the environment.

Air France-KLM has not demonstrated that it is really willing to adapt its business model for the benefit of climate protection.

Social and Employment: Although Air France-KLM received 13 billion Euros in public support funds during the COVID crisis, the number of employees was reduced by 8,254 people, the second highest number of reductions in the workforce among the airlines analysed. This resulted in salary savings of 930 million Euros in 2020 compared to 2019. Air France-KLM's share of part-time workers is high at 30%. Air France-KLM is one of only two airlines analysed that report on temporary workers (5% share). But in common with all the other companies that were analysed, it is not transparent about the outsourcing and subcontracting of workers. The number of reported strikes by Air France-KLM workers between 2018 and 2020 was average compared to other airlines. However, the only strike that took place in 2020 among the airlines was at Air France-KLM's French subsidiary 'Hop'.

More positively, Air France-KLM has the smallest difference between CEO remuneration and the average salary among the airlines analysed, but this difference increased during the COVID crisis. In addition, the proportion of women on the board of directors at Air France-KLM is slightly above average, at 41%, and it is the only company among the airlines with a woman in the position of board chair. Furthermore, Air France-KLM is one of the few companies that report on the percentage of employees with disabilities, which is around 5%.

Dividends and Incentives: While the Air France-KLM Group reported moderate profits after taxes in 2018 and 2019 (0.7 billion Euros in two years), in 2020 the company reported the largest loss (7.1 billion Euros) out of the airlines analysed. From 2018 to 2020, Air France-KLM did not pay dividends to its shareholders. The total remuneration paid to senior managers was – in absolute numbers – the second lowest among the airlines analysed, just above TAP Air Portugal (which is substantially smaller than Air France-KLM). Air France-KLM was increasing the bonus payments in 2020, the year that COVID began. Half of the other airlines analysed did not pay any bonus payments during 2020.

Air France-KLM is one of the few companies analysed which link the variable remuneration of senior managers to a set of environmental, social and governance (ESG) criteria, including CO₂ reduction and increasing the number of women on the board of directors. Senior managers therefore only receive allowances if they meet these criteria. However, these criteria are not specified clearly enough and only a small percentage of remuneration is linked to non-financial criteria.

Lobbying: Air France-KLM is a member of three international and European lobbying airline groups (IATA, A4E and ACP), in addition it is a member of the general industry lobby group BusinessEurope. In terms of its lobbying activities, Air France-KLM appears to be the most transparent among the airlines analysed. It provides reasonably exhaustive information on its public positions and areas of intervention. Air France-KLM is the only airline group analysed which provides an estimate of its expenses for lobbying activities. In 2020, the company spent a considerable amount of money – 3.27 million Euro on lobbying and influencing policies in their favour, an amount that almost doubled compared to 2018. Air France-KLM is registered in the EU Transparency Register, and is the only company among those analysed that reports on national lobby registers.

Air France-KLM, like most airlines, supports the global CORSIA offsetting scheme – which Greenpeace strongly opposes – over domestic and EU climate change regulations. It has also intervened in the EU Renewable Energy Directive. Air France-KLM also strongly opposes the introduction of national ticket taxes in the Netherlands and France, which would lead to a fairer pricing system between air and rail.


Greenwashing: There are examples of Air France-KLM engaging in greenwashing. For example, in May 2021 the company claimed that it was the first airline to perform a long-haul flight powered by sustainable aviation fuel made in France. While the corporate statement presented this achievement as a result of the commitment to the process of decarbonization of air transport, the share of SAF was only 16%, compared to 84% conventional kerosene. Another greenwashing attempt involving biofuels was stopped by the Dutch Advertising Code Committee in 2020 when it ordered KLM to change the content of its blog posts by disclosing the percentage of biofuels used in its fleet, to avoid misleading consumers. This was done after the company had been found to have [over-emphasised its use of agrofuel](#). “While KLM has operated a selected number of flights with a 50% biofuel blend and, pre-pandemic, was using a biofuel blend on at least one flight per day, biofuel only accounted for 0.18% of its total fuel consumption in 2019”, according to [Edie.net](#). Greenpeace strongly opposes the use of biofuels in any case as its production often causes irreversible damage to the environment, e.g. deforestation of ancient forests for the production of palm oil. Moreover, the production of agrofuel crops must not compete with food production. From an environmental point of view, biofuels are only acceptable when they are produced from organic waste; however, biofuels made from organic waste will never be produced in sufficient quantities for use in aviation.

The International Airlines Group (IAG)

The British-Spanish IAG group is Europe's third-biggest airline group (by revenue and by passenger numbers).

- Number of aircraft: [531](#)
- Number of passengers (2019): 118 million
- Turnover (2019): 25 billion Euros
- Number of employees (2019): 63,500
- Important brands and subsidiaries: British Airways, Iberia, Vueling, Aer Lingus

Responsibility and commitment score



Area	Score in percentage	Lowest scored category	Highest scored category
Overall result	50.29	Climate change	Dividends & Incentives
Climate Change	41.12	GHG Emissions	Management System
Social & Employment	60.97	Labour rights	Equality & Non-discrimination
Dividends & Incentives	73.33	Dividends	Incentives
Lobbying	43.56	Lobby Ethics	Lobby Activity

Climate Change: Due to its size, IAG is the second-largest emitter in the European aviation sector with almost 40 million tonnes of CO_{2e} per year in the pre-COVID years. Total emissions increased by more than 30% between 2014 and 2019. Despite being the third-largest bailout beneficiary with a 3.64 billion Euros loan from the UK, Spain and Ireland, the company hardly improved its climate change policy and performance in 2020, apart from setting a slightly higher goal to become net-zero by 2050. Not a single bailout agreement between the company and any state included any environmental or social criteria.

IAG has not set any absolute reduction targets for its total emissions. In 2019, it was the first company to commit to become carbon-neutral by 2050, but it does not publicly provide concrete information on how it will achieve this goal. It has also committed to a climate target for 2030 and a short term emissions reduction target (5 years), however no annual targets were set.

IAG reports that it has been using sustainable aviation fuel (SAF) since 2018. The company does not, however, report on the share of SAF used, and does not provide detailed information on the origin and sources of the used fuels. Therefore, Greenpeace cannot rule out the use of unsustainable or even counterproductive alternative fuels such as palm oil by IAG. Therefore, it is impossible to assess whether the SAF used has had a positive or negative impact on the environment.

In 2017, IAG announced an investment of 400 million USD in SAF production over the next two decades. Apart from the fact that this amount (20 million USD per year) is very low compared to its total fuel costs, in 2018 and 2019 IAG did not even report whether it had actually invested anything in SAF. In 2020, it reported a negligible investment, compared to total fuel expenses, of 500,000 GBP (around 570,000 EUR) in a SAF project.

From an environmental standpoint, IAG has not demonstrated that it is really willing to adapt its business model for the benefit of climate protection.

Social and Employment: While IAG received 3.64 billion Euros in public financial support during the COVID crisis, the number of employees was reduced by around 6,100 people, which is the third-highest rate among the seven airline groups analysed. This resulted in salary savings of 1.09 billion Euros in 2020 compared to 2019.

IAG has been relatively transparent about the number of temporary workers or fixed-term contracts it employs. Its share of part-time workers is relatively high at 25%, but lower than the other large traditional airlines. IAG is one of only two among the airlines analysed that reports on temporary workers, which are at around 5% of the total workforce. Like all the companies analysed, it does not report on its outsourcing and subcontracting of workers. It is also one of only two companies that report on how many workers' contracts were covered under a collective agreement, at 86% of contracts for IAG workers in 2020 – which is less than SAS where 99.9% of contracts are under a collective agreement.

The ratio of total CEO compensation to average salaries at IAG is among the highest of the airlines analysed, right behind Lufthansa.²⁴ IAG also has the second-lowest ratio of salary costs to EBITDA (Earnings before Interests, Taxes, Depreciation and Amortization); in other words, total salaries are low compared to the earnings of the company. Only Ryanair performs worse on this.

More positively, IAG has a specific equality and non-discrimination policy in place, at least for its senior management. The proportion of women on the board of directors is the highest of the airlines analysed, at 45%. With regard to the inclusion of people with disabilities, IAG is one of the few companies that claim to have a programme for disabled people, and report on the number of employees with disabilities, which is around 5% of its workforce.

Dividends and Incentives: While in 2018 and 2019 the IAG Group reported the highest profit after taxes (2.9 billion and 1.72 billion Euros respectively) of all the companies analysed, in 2020 the company reported the second-largest loss (almost 7 billion Euros). IAG was one of only two companies that paid out dividends to their shareholders in 2019, and one out of three in 2018. The dividends were very high at 1.3 billion and 0.58 billion Euros, compared to the company's profit after taxes. In total, the dividends equalled almost 53% of the bailouts the company received during the COVID crisis. Like most other airlines, IAG did not pay dividends in 2020 and was among the 50% of airlines analysed which reported to not pay bonus payments in that year.

²⁴ This data is not available for TAP.

Lobbying: IAG is a member of three international and European airline lobbying groups (IATA, A4E and A4D), and several general industry lobbying groups in the UK and Spain.

The company is not transparent about its membership fees and contributions to lobbying groups. It is registered on the EU Transparency Register, but does not report on national lobby registers.

There is only limited public information about the issues IAG lobbies on: the company reports that it lobbies on environmental and climate change issues, including on the revision of the Energy Tax Directive, but not on its lobbying activities on other issues such as labour regulation. IAG, like most airlines, supports the global CORSIA offsetting scheme – which Greenpeace strongly opposes – over domestic and EU climate change regulations. IAG, like most other airlines, opposes national climate taxes. IAG does not allow financial contributions to political parties.

Greenwashing: There are several examples of IAG, particularly its subsidiaries, engaging in greenwashing. For example, IAG's subsidiary British Airways announced that from 2020 onwards it will offset carbon emissions for all its flights within the UK. However, an [investigation by Unearthed-Greenpeace](#) found evidence that raises serious doubts about the ability of these projects to offset emissions in line with the claims of the airline.

Another example of greenwashing is Iberia becoming a 'silver sponsor' of the COP 25 climate summit in Madrid in 2019, despite not having a corporate climate policy that is in line with the global climate agreement. The sponsorship of the event, despite being a positive initiative, contrasts with the poor environmental performance and the few environmental commitments made by Iberia's parent IAG.

Ryanair

The Irish low-cost carrier Ryanair is Europe's largest airline by passenger numbers.

- Number of aircraft: [505](#)
- Number of passengers (2019): 152 million
- Turnover (2019): 7.9 billion Euros
- Number of employees (2019): 16,800
- Important brands and subsidiaries: Ryanair, Buzz, Malta Air, Lauda

Responsibility and commitment score



Area	Score in percentage	Lowest scored category	Highest scored category
Overall result	33.15	Climate change	Dividends & Incentives
Climate Change	21.33	GHG Emissions	Policy and Commitment
Social & Employment	26.4	Labour rights	Equality & Non-discrimination
Dividends & Incentives	85	Incentives	Dividends
Lobbying	29.7	Lobbying Ethics	Lobbying Activity

Climate Change: Ryanair released 12.54 million tonnes of CO_{2e} during 2019. Due to the fact that Ryanair operates mainly in Europe, Ryanair's share of emissions in the EU is the highest among the airlines analysed. The company is even among the Top 10 CO₂ emitters among all sectors in Europe, in league with large coal power companies. The CO₂ emissions per passenger kilometre are among the lowest in the sector, due to a high occupancy rate, according to Ryanair. However, Ryanair does not provide public information about how they arrive at this calculation, which makes this data questionable to a certain extent.

Like most other airlines, Ryanair agreed to a "net-zero [2050](#)" target. The only other climate target Ryanair has committed to refers to 2030. The company has not set short-term emissions reduction targets, and has no absolute emissions reduction target. The latter is especially important since Ryanair had the second-largest increase in emissions in the two years before the crisis. Although the company received 670 million Euros in the form of a bailout loan from the UK, the company did not significantly improve its climate change policy and performance in 2020. The bailout loan was not linked with any environmental or social conditions.

Ryanair has [announced plans](#) to start using so-called Sustainable Aviation Fuel (SAF) in the future without giving details on sources and origin. Ryanair claims to be investing heavily in renewing its fleet, however, the average age of their aircraft increased from 6.7 to 8 years between 2018 and 2020.

Ryanair has not demonstrated that it is really willing to adapt its business model for the benefit of climate protection.

Social and Employment: Although Ryanair received a bailout loan during the COVID crisis, the number of employees was reduced by around 13%, which is the third-highest percentage among the seven airlines analysed. Despite the decrease in 2020, the number of employees was still 5% higher than in 2017, several years before the pandemic. Total labour costs at Ryanair decreased in 2020 by 57.3% compared to 2019. This is by far the largest reduction

of labour costs among the companies analysed, indicating that staff costs for the remaining staff also considerably decreased.

At the end of 2017, Ryanair started a transition to collective labour agreements. The process has been full of disputes and was considered a cash flow risk by company management. In total, Ryanair was confronted with extended strikes in nine different countries during 2018 and 2019. There is no public information available about the implementation of these collective agreements.

Ryanair does not provide public information about the numbers of part-time workers, temporary contracts and/or outsourcing of staff. This is the main reason for Ryanair's low score in the category 'workforce structure'. Furthermore, Ryanair is frequently criticised by unions across its operating area for poor working standards. Ryanair has the lowest ratio of salary costs to EBITDA (Earnings before Interests, Taxes, Depreciation and Amortization).

40 percent of members on the board of directors at Ryanair are women, which is slightly above the average among the airlines analysed. Ryanair is the only airline analysed which provided information about its gender pay gap in 2018, however, no information is published after this date. In 2018, the pay gap between male and female workers at Ryanair was 64%, which according to Ryanair was due to the high share of male pilots. Ryanair does not report on the inclusion of people with disabilities.

Dividends and Incentives: Ryanair reported high profits in 2018 and 2019 and a big loss in 2020. However, it is only one out of two of the companies analysed whose profits in the two years before the crisis were in total higher than the subsequent loss. Ryanair has not paid dividends since 2015, which is one reason why the company had a much lower need for bailouts. The total remuneration to senior managers dropped by more than one third in 2020, while bonus payments were almost unchanged compared to the two previous years. Ryanair mentions that half of the remuneration for its CEO is based on criteria including environmental targets, but these targets are not specified.

Lobbying: Ryanair is a member of two European airline lobbying groups (A4E and A4D). It is registered in the EU Transparency Register, but does not provide information about registrations in national lobby registers. The company does not disclose the amounts paid in membership fees and contributions to lobbying groups. Public information about the issues they are lobbying on is also limited: while Ryanair reports that it does lobby on environmental issues and climate change, including the revision of the EU Renewable Energy Directive,²⁵ it does not provide information about its lobbying activities concerning labour regulation. Ryanair, like most other airlines, opposes national climate taxes. Ryanair does not explicitly prohibit contributions to political parties, but claims not to have made any so far.

Greenwashing: There are several examples of Ryanair engaging in greenwashing. For example, in its corporate communications, Ryanair repeatedly calls itself the "cleanest/greenest airline in Europe". While this slogan mainly refers to the – best in class – emissions per passenger kilometre based on their own calculations, it ignores the fact that Ryanair is the largest GHG emitter of all airlines in Europe²⁶. In February 2020, the UK Advertising Standards Authority upheld complaints about an advertising campaign by Ryanair, that claimed to be the ["lowest emissions airline", and banned the adverts.](#)

²⁵ The renewable energy directive sets rules for the EU to achieve its 32% renewables target by 2030 across all sectors.






²⁶ Lufthansa, Air France-KLM and IAG have higher total GHG emissions due to their global operations outside Europe.

easyJet

The British low-cost carrier easyJet is the EU's and UK's fifth-biggest regular airline group (by revenue and by passenger numbers).

- Number of aircraft: [318](#)
- Number of passengers (2019): 96 million
- Turnover (2019): 7.65 billion Euros
- Number of employees (2019): 15,000

Responsibility and commitment score

			
Area	Score in percentage	Lowest scored category	Highest scored category
Overall result	45.42	Social & Employment	Lobbying
Climate Change 	31.37	GHG Emissions	Management System
Social & Employment 	31.16	Workforce structure	Equality & Non-discrimination
Dividends & Incentives 	48.33	Incentives	Dividends
Lobbying 	49.43	Lobbying Ethics	Lobbying Activity

Climate Change: The total CO_{2e} emissions of easyJet were 10.44 million tonnes in 2019, almost one million tonnes more than the previous year. EasyJet has the lowest emissions per passenger kilometre after Ryanair, obviously a consequence of the higher occupation rate at low cost carriers compared to traditional airlines. Among the airlines analysed, easyJet was the only company whose emissions per passenger kilometre did not increase in 2020.

Although the company received 2.24 billion Euros in bailouts from the UK, the company did not significantly improve its climate change policy and performance in 2020. None of the bailout agreements with easyJet included any environmental or social provisions, and requirements for easyJet to restrict its dividends were only a condition of the larger bailouts.

The remuneration for senior managers is linked to carbon emissions.

In 2021, easyJet made a commitment to achieve carbon-neutrality by 2050. It is one of two airlines that do not commit to a climate target for 2030 and, apart from an unambitious 5-year target (10% reduction per passenger-km), it does not provide public information on any other climate targets. [In the same year](#), the company started using so-called Sustainable Aviation Fuel (SAF). However, the company does not report on the share of SAF used, nor does it provide detailed information on the origin and sources of the fuel used. Greenpeace therefore cannot rule out the possibility that the company is using unsustainable fuel. EasyJet is the only company among the airlines analysed which has committed to offset 100% of its direct carbon emissions, although it does not provide enough information to assess the quality of its offsetting projects. Greenpeace opposes offsetting as a false solution and calls for reductions of direct emissions instead.

EasyJet has not demonstrated that it is really willing to adapt its business model for the benefit of climate protection.

Social and Employment: EasyJet was the airline with the lowest workforce reduction in 2020 of all airlines analysed. “Only” 185 employees were made redundant, equivalent to 1.25% of all employees. The number of workers increased by 21% between 2017 and 2019. Therefore, easyJet was only one of two companies analysed with more staff in 2020 than in 2017, and the total increase in staff was the highest among all the airlines.

EasyJet does not publicly report on part-time workers, temporary contracts and outsourced staff, which is the main reason for its poor performance in the category ‘workforce structure’. EasyJet also scores poorly on labour rights. There is no collective agreement that covers a large share of staff. There is also no public mention of occupational health and safety plans or systems which are verified by independent standards.

EasyJet scores relatively high when it comes to equality and non-discrimination. It has the highest quota of women on the board of directors (45%). In 2018, a quota of 20% for female pilots was adopted, but again suspended during the COVID crisis. The company reports on the inclusion of people with disabilities in the workplace, and claims to treat them equally and support them.

The ratio of total CEO remuneration to average salaries is the second-lowest of all airlines analysed, and it dropped further in 2019 and 2020.

Dividends and Incentives: While easyJet reported profits after taxes in 2018 and 2019 (with a profit of about 400 million Euro per year), in 2020 the company reported a loss of 790 million Euro. These figures show that easyJet was the only airline among the companies analysed that reported a lower loss in 2020 than the accumulated profits of the previous two years. However, the dividends paid were high, and despite receiving large sums in public bailouts, easyJet paid out 190 million Euros in dividends in 2020, the only company to do so. The total remuneration for senior managers decreased in 2020 by more than 30%, and no bonus payments were made in 2020.

Lobbying: EasyJet is a member of two European airline lobbying groups (A4E and A4D). It is not a member of the largest global airline interest group IATA. It is registered in the EU Transparency Register, but does not report on its membership of any national lobby registers.

The company does not provide public information about its membership fees and contributions to lobbying groups. It is also not very transparent about the issues it lobbies on: while easyJet reports that it conducts lobbying on environmental issues and climate change, including the revision of the ReFuelEU Aviation directive, it does not provide

information about its lobbying activities concerning labour regulation. EasyJet, like most airlines, supports the global CORSIA offsetting scheme – which Greenpeace strongly opposes – over domestic and EU climate change regulations. Like most other airlines, easyJet opposes national climate taxes. EasyJet explicitly prohibits contributions to political parties.

Greenwashing: EasyJet has been accused of greenwashing related to offsetting in the past. In 2019 the company claimed it was the world’s first major airline to operate net-zero carbon flights across its network. However, only about 0.35 Euro per ticket was used for offsetting, so the effect on the climate is negligible and much too low²⁷ to achieve this ambition.

SAS





SAS Scandinavian Airlines (SAS) is the leading airline in Sweden, Denmark and Norway. It is a traditional airline and the sixth-biggest based in the EU and UK (by revenue).

- Number of aircraft: [164](#)
- Number of passengers (2019): 30 million
- Turnover (2019): 4.4 billion Euros
- Number of employees (2019): 10,445

Responsibility and commitment score

SAS

Scandinavian Airlines

Area	Score in percentage	Lowest scored category	Highest scored category
Overall result	49.44	Lobbying	Dividends & Incentives
Climate Change 	48.57	GHG Emissions	Management System
Social & Employment 	42.06	Workforce structure	Labour rights
Dividends & Incentives 	85	Incentives	Dividends
Lobbying 	26.59	Lobbying Ethics	Lobbying Activity

²⁷ Based on an EU carbon price of around [50 Euros](#) per tonne of CO₂, a single short-haul flight emitting [20 tonnes](#) of GHGs would incur costs of around 1,000 Euros, or 5 Euros per ticket if the aircraft were carrying 200 people.

Climate Change: Among the airline companies analysed, SAS had either the highest or the second highest CO₂ emissions per passenger-kilometre between 2018 and 2020²⁸.

SAS committed to becoming carbon-neutral by 2050, but does not have short-term or annual CO₂ reduction targets. The only corporate climate target refers to a 25% reduction of emissions by 2030, which was pushed forward to 2025 during the year the company received public bailouts. SAS is one of only two of the companies analysed that have improved their climate targets in the bailout year. But despite 1.1 billion Euros in public bailouts from Sweden, Denmark and Norway, SAS did not improve its climate change policy and performance in 2020. Among the airline groups analysed, SAS is the only one with absolute emission reduction targets, but it remains unclear how the company aims to reach this target.

SAS appears to consider carbon offsets using market-based schemes and sustainable alternative fuel (SAF) a key strategy for mitigating its climate impact. SAS is one of only three companies that report on the share of SAF used, which is still a very low amount compared to conventional kerosene. But the company does not provide detailed information on the quantities, origin and sources of the fuels used, and therefore Greenpeace cannot rule out the use of unsustainable or even counterproductive alternative fuels. A major fuel supplier for SAS is heavily involved in the palm oil business. Palm oil is the most harmful SAF for the climate and the environment. Therefore, it is impossible to assess whether the SAF used by SAS has had a positive or negative impact on the environment.²⁹ SAS is also involved in a project to develop electric aircraft, but the scope and resources for this project remain unclear.

Social and Employment: Despite having received 1.1 billion Euros of public financial support during the COVID crisis, SAS reduced its number of employees by 34% during 2020, which is by far the highest workforce reduction rate among all the airlines analysed. In total, around 5,000 members of the staff were made redundant. Interestingly, a reduction in the workforce was already announced in the 2018 Annual Report, when the company was still clearly profitable.

SAS is not very transparent about its workforce structure. The company does not report on the number of part-time workers, temporary contracts and subcontractors. SAS claims that it requires proper employment terms for its subcontractors, but does not explain what that means in detail.

More positively, 99.9% of SAS workers' contracts are covered by a collective agreement – only the senior management is excluded. SAS is one of only two airlines analysed that have an occupational health and safety plan verified by independent standards. SAS reported strikes in all three home markets in April 2019.

Surprisingly for a Nordic enterprise, the number of women on the board of directors is the third-lowest. SAS is the only airline analysed where the quota of women on the board decreased even further since 2018. The average salary compared to CEO compensation was relatively high, and the ratio clearly increased between 2018 and 2020.

Dividends and Incentives: While SAS reported moderate profits after taxes in 2018 and

²⁸ SAS explains this with the high share of "essential infrastructure" short-haul flights inside Scandinavia.

²⁹ For more information on SAF, see section "greenwashing".

2019 (220 million Euro in two years), in 2020 the company reported a big loss of 0.92 billion Euros, which is significant compared with revenues of 1.34 billion Euros in the same year. SAS did not pay dividends between 2018 and 2020. In 2020, the company reduced its total remuneration to senior managers by more than one third compared to 2019 and did not pay any bonuses in the bailout year.

According to the SAS Annual report, the set of criteria for variable cash remuneration for senior managers “contains less than 30% of non-financial criteria”, so up to 30% could be linked to social or environmental conditions, but SAS does not provide the necessary details.

Lobbying: SAS is only a member of the IATA and is not a member of any other lobbying group, unlike many other airlines. SAS is the only airline analysed which is not registered on the EU Transparency Register. The company does not report on whether it is registered on any national lobby registers. Furthermore, SAS does not report on lobbying expenses or on lobbying activities. Its lack of transparency is the main reason why the company scores poorly in the lobbying category.

SAS, like most airlines, supports the global CORSIA offsetting scheme - which Greenpeace strongly opposes - over domestic and EU climate change regulations. It also strongly opposes national taxes on air travel in Norway and Sweden by claiming that “these taxes have no connection with emissions or any climate protection measures”. Greenpeace generally supports taxes on tickets as a means to shift travel from air to rail.

SAS is a strong promoter of agrofuels and has ties to agrofuel producers which use palm oil. SAS's communications around so-called sustainable agrofuels and biofuels can – at least partly – be considered as greenwashing.

SAS does not explicitly prohibit contributions to political parties. The company does not report whether or not it trains its senior management on social and environmental issues.





TAP Air Portugal

The majority state-owned Portuguese TAP is the seventh-largest regular airline group in the EU and UK (by its 2019 revenue).

- Number of aircraft: [94](#)
- Number of passengers (2019): 17 million
- Turnover (2019): 2.91 billion Euros
- Number of employees (2019): 9,000

Responsibility and commitment score



Area	Score in percentage	Lowest scored category	Highest scored category
Overall result	15.88	Lobbying	Dividends & Incentives
Climate Change 	8.99	Policy and Commitment	Management System
Social & Employment 	18.06	Equality & Non-discrimination	Labour rights
Dividends & Incentives 	40	Incentives	Dividends
Lobbying 	11.82	Lobbying Ethics	Lobbying Activity

Climate Change: Among the airlines analysed, TAP performs the worst with regard to climate change. It is the only company that does not publish its total CO₂ emissions. In 2018 and 2020, among the airlines analysed, TAP reported the highest CO₂ emissions per passenger kilometre, while in 2019 it had the second-highest emissions of all airlines analysed. It was the only airline analysed that has not committed to any climate targets at all, either for 2050, 2030, or for the next five years, and has no absolute emissions reduction target. It was also the only airline analysed that does not have an environmental management system. The company does not report on its use of so-called Sustainable Aviation Fuels (SAF). Therefore, it is highly unlikely that TAP uses SAF, as companies usually use this in their advertising. As a result, TAP is the only airline analysed that does not use SAF for greenwashing.

Although the company received 1.72 billion Euros in public bailout funds from Portugal, it did not significantly improve its climate change policy and performance in 2020. None of the three bailout agreements was linked with any environmental or social provisions.

TAP has not demonstrated that it is really willing to adapt its business model for the benefit of climate protection.

Social and Employment: Although TAP received a large sum of public financial support during the COVID crisis, it reduced its number of employees by almost 25% during 2020, which is the second-largest reduction out of all airlines analysed. TAP was the only company which had already reduced its number of workers between 2017 and 2019 (by 18%). TAP does not report on temporary or outsourced staff. The number of women on the board of directors at TAP is the lowest among all the companies analysed, even though it increased from 17% to 27% between 2019 and 2020. Out of all the airlines analysed, TAP had the lowest number of strikes with only a brief one in 2018. Generally TAP does not demonstrate transparency with regard to labour conditions, for example it does not report on CEO remuneration.

Dividends and Incentives: Among the airlines analysed, TAP is the only one that reported a loss in 2018 and 2019. While the loss was relatively moderate in the two years before the COVID crisis, it dramatically increased from slightly over 100 million Euro per year to 1.42 billion Euros in 2020. TAP did not pay dividends to its shareholders in any of the three years analysed. The total amount of remuneration paid to senior managers is relatively low, but it only dropped by around 10% during 2020, while five of the other airlines analysed had a decline of at least 30%. TAP does not provide information about bonus payments or on whether it links variable remunerations of its senior managers to the fulfilment of certain environmental, social or governance criteria.

Lobbying: TAP is a member of three international and European airline lobbying groups (IATA, A4E and A4P). The company does not provide information about membership fees and financial contributions to lobbying groups. It is registered in the EU Transparency Register, but does not report on its membership of any national lobby registers. TAP declared expenses of less than 10,000 Euro on lobbying in the EU Registry in 2020. This amount is very likely to be downplayed by the company since the fixed yearly membership fee of IATA alone is around 11,000 Euro. TAP does not provide public information about any lobbying activities or lobbying interests. On a positive note, TAP is the only airline analysed with a director who has significant training and experience in social matters.

TAP does not explicitly prohibit contributions to political parties.

Conclusions and political demands

The full decarbonisation of the aviation sector which is needed to limit global temperature rise to 1.5°C can only be achieved through a significant reduction of flights and with a full move to synthetic aircraft fuels based on 100% renewable energy, excluding biofuels. In an optimistic scenario, the [“Transport Roadmap 2040”](#) study, published by Greenpeace Belgium in 2020, calculated that the total passenger kilometres flown (for flights leaving or arriving in an EU airport) would have to decrease by at least 33% by 2040 and by 50% by 2050 (as compared to 2019 levels) in order to fully decarbonise the aviation sector by 2040. In a less optimistic scenario, assuming more limited availability of renewable-based synthetic aircraft fuel, passenger air travel would have to be reduced much further and much sooner. From a current perspective, with global production of e-fuels making up only about 0.00004% of the total [jet fuel needed in the EU](#) in a year, e-fuels are a long way from being available at the scale required. Therefore, the production of e-fuels using 100% renewable electricity must be massively scaled-up in the next couple of years.

In a step to start reducing emissions sustainably, one third of the 250 busiest short-haul flights (excluding island connections) in Europe could be immediately phased-out wherever viable train connections of under six hours exist, as a recent [Greenpeace report](#) has already shown. When other reasonable train connections are considered, including night trains and connections involving up to two changes, around 80% of all short-haul flights could be shifted to rail. Emissions from short-haul flights are particularly harmful to the environment relative to the distance travelled. This is because significant quantities of harmful emissions are emitted [during take-off](#).

In addition, [Greenpeace](#) estimates that around 30% of business flights, which have a market share of around 20%, could be avoided by relying on virtual meeting technologies instead of flying. This reduction alone would save 20.9 million tonnes of greenhouse gases annually in the EU. With improved and more affordable train connections throughout Europe, leisure travellers might consider travelling by train instead of flying.



© Marten van Dijk / Greenpeace

What should airlines do?

10 key demands for full decarbonisation and a more transparent and just transition in the airline sector³⁰

1. Airlines must develop realistic and binding plans to achieve full decarbonisation, meaning a complete phase-out of fossil fuels, by 2040 at the latest, as outlined in Greenpeace's "[Transport Roadmap 2040](#)".
2. Airline decarbonisation pathways must include absolute and binding greenhouse gas emission reduction targets for each year, as well as for five and ten years, without relying on false solutions such as carbon offsets, agrofuels, or bioenergy, except for waste-based fuels. Fuels made from waste will also always remain a small niche and must not compete with the principles of waste reduction and the circular economy. The two key strategies for these plans are reducing air travel and developing fuels based on 100% renewable energy. Other strategies, such as more efficient aircraft, better occupancy rates, better logistics, etc., complement these two crucial elements, but must not replace them.
3. European airlines must start to cut flights by at least 2% annually³¹ to effectively reduce emissions, starting with a phase-out of short-haul flights, including transfer flights. They should start with connections for which a reasonable train or ferry alternative is already available.
4. Airlines must initiate or strengthen close and ambitious co-operation with railway operators throughout Europe to offer good services for passengers, which is especially important for combined air-rail trips where short-haul transfer flights should be replaced by trains.
5. The whole airline sector must start to heavily invest in the development and use of synthetic fuels based on 100% renewable energy. From today's point of view, the best option is synthetic kerosene (e-kerosene). Green hydrogen might become an option, depending on the speed at which new hydrogen aircraft can be developed. Lufthansa seems to be the only company among the seven biggest European airlines that is currently investing in fuels made from renewable electricity; this is done at a very low level.
6. Airlines must stop any attempts at greenwashing, including the promotion of false, inefficient, or unavailable solutions and the sponsoring of climate protection events.
7. Airlines must not return to paying the high pre-COVID levels of dividends and incentives, but instead invest that money into urgent climate and social action. Airlines must also decrease the ratio of the total CEO remuneration and to the average salary.

³⁰ Further recommendations for airlines can be found in the [full report](#).

³¹ This 2% is based on an optimistic scenario in Greenpeace's "Transport Roadmap 2040", according to which enough e-kerosene will be available in the future to cover all remaining flights that cannot be shifted to rail or reduced.

8. Airlines must ensure full transparency about their lobbying activities. This includes disclosing if an airline is listed in relevant lobby registers, publishing all membership fees and lobbying expenses, and reporting in more detail on their lobbying interests and objectives. The airlines have to ensure that the same standards apply to all the lobbying associations where they are members, such as IATA and A4E.
9. Airlines must commit to improving working conditions and preventing further instability for employees by refraining from outsourcing workers and reducing temporary staff. Companies must establish better collaboration with workers unions, introduce collective agreements covering almost all staff, and involve workers in discussions and decisions, particularly those regarding the transformation of the sector that is needed.
10. Last but not least, airlines need to start implementing a just transition process for workers who might lose their jobs in the future due to the unavoidable and necessary reduction of flights. This requires close and successful cooperation with unions, governments and public bodies.

What should the EU and governments do?

10 key demands for a just transition towards aviation de-growth and clean transport solutions

The aviation **sector needs to comply with the Paris climate agreement goal** to limit global temperature rise to 1.5°C, which implies absolute and binding annual reduction targets for greenhouse gas emissions, and therefore a significant cut in aviation demand compared to pre-crisis levels.

1. As a first step to reduce emissions, the EU should introduce a **ban on short-haul flight connections** when there is a reasonable train alternative and make sure that the slots vacated by eliminating short-haul flights are not used for longer flights. This ban can be implemented in the Air Services Regulation which is currently under review. Article 20 of this Regulation currently allows member states to ban certain flights based on environmental concerns. Greenpeace is calling on the European Commission to come up with a proposal which will make it mandatory to ban all short-haul flights when a reasonable train or ferry alternative is available.
2. In order to decarbonise the aviation sector, strong measures need to be taken to reduce supply and demand, through strong regulation of air traffic, a **modal shift to less carbon-intensive means of transport**, as well as through measures to replace the need for mobility. These could include further promotion of alternative meeting technologies for business as well as local tourism. Other measures should be considered, such as discontinuing airline loyalty schemes or banning air travel advertising. The European Commission should develop an action plan that includes initiatives to regulate air traffic and demand for air travel, promote a modal shift and reduce certain mobility needs.

3. To enable the necessary modal shift, the EU needs to **phase out all fossil fuel subsidies** to the aviation sector (including for airports) and ensure that tax on kerosene is enhanced and swiftly implemented on all flights through the revision of the Energy Tax Directive, complemented by appropriate air ticket and/or carbon taxes.
4. Since jet fuels made from renewable electricity are not yet available on a commercial scale, and will not be for many years to come, the aviation industry must be mandated to invest in the development and use of these fuels through a **binding fuel mandate** combined with measures to reduce air traffic and produce additional renewable electricity. Quotas could start at a low level, but need to increase exponentially to reach 100% by 2040 at the latest. The legislation required must exclude false solutions, such as agrofuels.
5. The EU should end the current rule which encourages near empty or empty '**ghost flights**'. The current Airports Slots regulation, that requires airlines to operate a certain percentage of flights in order to maintain their landing and take-off rights at airports, needs to be changed so that airlines are not forced to operate 'ghost flights' anymore and that the total number of flights in European airports decreases.
6. This needs to be supported by a full and rapid integration of **all aviation emissions** - including emissions from the EU's international air traffic - in the EU's Emissions Trading System, which should include both a swift **cancellation of all free allowances** to the aviation sector and the exclusion of international offsets from the EU ETS.
7. The European Commission must deliver on its comprehensive plan published in December 2021 to **boost European-wide cross-border rail connections** by taking action to enable additional day and night train connections, a united ticketing system, a technical and legislative harmonisation of European rail rules and standards, measures to make train tickets more competitive with flights and investments in new rolling stock. In support of the Commission's Action Plan, Member States should make use of the financial means that are at their disposal through both the Structural Funds and the Recovery and Resilience Funding to massively support investments in railway infrastructure, rolling stock and staff.
8. The EU and European governments must ensure a **just transition** in the aviation sector and end the increasing instability of working conditions. Member States must support and implement the proposed Council Recommendations on ensuring a fair transition towards climate neutrality by setting just transition strategies with trade unions and social partners. Likewise, EU policy makers must swiftly adopt a Just Transition Legal Framework to provide the right legislative tools to ensure workers' rights to a socially fair transition that builds on new opportunities and leaves nobody behind. Key elements of such a transition process include: strengthened social safety nets, regional development plans, the creation of new jobs outside the aviation sector and a transparent, participatory process. Income and wages, health and livelihoods must be secured while displaced workers are offered reskilling opportunities and a just transition.
9. Many governments temporarily restricted the payment of dividends to airline shareholders, but there will be no further restrictions once airlines have paid back bailout loans. The EU must **restrict the payment of dividends** as well as high incentive payments to top managers if a company has not agreed on and met its

annual GHG reduction targets and has not presented a binding plan to fully decarbonise by 2040 latest. This is needed for at least three reasons:

- a) to ensure that airlines have sufficient financial reserves for future crises,
- b) to ensure that airlines have enough resources to invest in climate protection measures and technologies, and social protection for their workers. Ideally, the EU should oblige airlines to invest a minimum proportion of their profits or revenues in green technologies, and
- c) to ensure that shareholders and financial markets do not continue to engage in economic activities with high GHG emissions.

If any new bailouts need to be given in the light of the Ukraine war, they need to have strong environmental and social criteria attached to them. The key environmental criteria is a binding plan for how the company will achieve full decarbonisation by 2040 at the latest, and the plan needs to include binding targets and measures for each year.

10. To achieve full transparency of airline lobbying activities, the EU should require airlines to disclose all relevant information on lobbying activities, including all associations' membership fees, all other lobbying costs, lobbying topics and related intentions, and their ethical standards for lobbying and cooperation with the public sector.