

DECARBONIZATION: OBJECTIVES AND STRATEGY

Air France-KLM's decarbonization strategy is consistent with the roadmap defined by the sector, which has demonstrated its capacity to achieve the objectives set by governments at both the national and international levels.

Ambitious goals in emissions reduction

 **30% less**
CO₂ emissions per tonne-kilometre
by 2030 compared to 2019

 **Net Zero***
by 2050

*Neutral impact over the entire fuel life cycle.

A strategic roadmap based on four key drivers

FLEET REPLACEMENT

81%

new-generation aircraft by 2030. New-generation aircraft emit up to 25% less CO₂.

USE OF SUSTAINABLE AVIATION FUEL

10%

use of sustainable aviation fuel (SAF) globally by 2030.

Reaching a minimum of

70%

by 2050 in departures from Europe.

ECO-PILOTING AND OTHER OPERATIONAL MEASURES

5%

of decarbonization efforts by 2030. 1/10th of this reduction will be achieved through the implementation of the Single European Sky.

Taxiing on a single engine

Optimized flight plans

Auxiliary power unit shutdown

Continuous descent

INTERMODALITY



Offering travel alternatives with a **reduced carbon footprint** by combining train travel for short trips and air travel for long trips.

Over the period from 2005 to 2019, the Air France Group's **total CO₂ emissions** fell by **6%** (excluding so-called compensation measures) in the context of a **32% increase in traffic**.

Regulatory and financial impact



FLEET REPLACEMENT

Fleet replacement represents a massive investment. Across the Group, approximately **3 billion euros a year are spent to purchase new-generation aircraft**. To be sustainable, this financial commitment requires a high level of competitiveness and a fair competitive environment.



EUROPEAN REGULATION

European regulation is much stiffer than it used to be. Major texts included in the **Fit for 55** (FF55) plan have toughened up airline obligations (most prominent among them a review of the **EU ETS** [Emissions Trading System] Directive and the **ReFuelEU Aviation** Regulation).



DECARBONIZATION COSTS

Decarbonization costs were very high in 2023. For the Air France-KLM Group, they could **multiply by 12** and represent, in terms of SAF and ETS alone, **several billions of euros more by 2030**.

Taking all measures into account (SAF mandates, ETS quotas, domestic compensation from the French Climate Law, international compensation under CORSIA [Carbon Offsetting and Reduction Scheme for International Aviation], ecotaxes, etc.), along with higher prices for sustainable fuel in Europe and further commitments, decarbonization will represent **added costs of several billion euros by 2030 for the Group's companies**.

This is an ambitious transformation strategy that will require significant government support

Achieving net-zero emissions by 2050 is a major challenge for an aviation sector long labelled “difficult to decarbonize.” Despite its advantages, the transition requires significant financial investments by all actors upstream of the value chain.



Air France-KLM's financial efforts to pursue its decarbonization will be significant in the years to come and will require that most of its profits be reinvested in the transformation. To this end, government support is necessary.

HOW EXACTLY WILL THIS IMPACT TICKET PRICES FOR PASSENGERS?

Decarbonization measures for an EU airline could increase the cost of a 3,000-km round trip by **some €80 per passenger by 2030**. For long-haul flights, the cost of a 19,000-km round trip (for example Nice-Singapore) will increase by approximately **€140 per passenger by 2030**.*

*According to the NLR (Royal Netherlands Aerospace Centre) and SEO Amsterdam Economics study on the impact of the EU's “Green Deal Fit for 55” measures package published in March 2022.



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