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Corporate social responsibility: Sustainability statement

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4.1 GENERAL INFORMATION

4.1.1 Basis for preparation

4.1.1.1 General basis for the preparation of the sustainability statement (BP-1)

The sustainability statement for the 2024 financial year has been prepared in accordance with European Union Directive 2022/2464 on Corporate Sustainability Reporting (the CSRD Directive) as transposed in France according to transposition order No. 2023-1143 of December 6, 2023 and presents the annual sustainability information for Air France-KLM as of December 31, 2024 in compliance with the applicable European Sustainability Reporting Standards (the "ESRS standards"), Article L. 233-28-4 of the French Commercial Code and the Taxonomy regulation.

Air France-KLM's sustainability statement has been prepared on a consolidated basis, on the same scope as the financial statements, and includes its subsidiaries that are exempted from individual or consolidated sustainability reporting, notably Air France SA and Koninklijke Luchtvaart Maatschappij N.V. (KLM).

This sustainability statement covers the Air France-KLM value chain, and specifically:

- the materiality assessment of impacts, risks and opportunities was conducted over the upstream and downstream value chain, in the boundaries described in section 4.1.2.1, "Strategy, business model and value chain (ESRS2 SBM-1)";
- policies, actions and targets do not extend to the value chain, except when stated otherwise (see in particular section 4.3.2 "Workers in the value chain (ESRS S2)");
- metrics do not include value chain data, except when stated otherwise (see in particular section 4.2.3.3 "Metrics – Waste management and circularity (E5-5)").

4.1.1.2 Disclosures in relation to specific circumstances (BP-2)

This sustainability statement was prepared in the context of the first year of application of the CSRD provisions. Air France-KLM has endeavored to apply the normative requirements set by the ESRS standards, as applicable on the date of preparation of the sustainability statement, on the basis of the information available within the timeframe for the preparation of this report.

In this context, Air France-KLM is committed to continuously improving its sustainability reporting processes. Based on the best practices observed and any future market recommendations, as well as future developments in regulatory and normative provisions, Air France-KLM may be required to review its reporting and communication practices in its next sustainability statements. These developments, if they were to arise, will be explained and justified with all the required transparency.

- the use of scope limitations and proxies on a case-by-case basis on certain data, especially whenever the Group was unable to collect the necessary data for reporting, as specified in the methodology notes attached to the metrics disclosed in the thematic sections of the sustainability statement

Disclosures stemming from other legislation

Pursuant to Article 66 of the Amending Finance Act for 2020, law No. 2020-935 of July 30, 2020 and its decree of November 2, 2021 on the National Low-Carbon Strategy ("SNBC"), specific disclosures have been prepared in the Air France-KLM sustainability statement (see section 4.2.1.5 "National Low-Carbon Strategy (SNBC)").

Incorporation by reference

Information disclosed in other sections of the management report is incorporated by reference and identified as such in the sustainability statement.

Use of phase-in provisions

Air France-KLM has made use of all relevant the phase-in provisions set in Appendix C of ESRS 1 ("List of phased-in Disclosure Requirements"), except for the following information that is already included in this sustainability statement:

- Average number of training hours (see section 4.3.1.6.7 "Metrics – Training and skills development (S1-13)").

Time horizons

In accordance with the Air France-KLM risk assessment framework, the time horizons used in the assessment of its impacts, risks and opportunities (see section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)") are as follows, unless stated otherwise:

- short term: up to 18 months
- medium term: up to 5 years
- long term: more than 5 years

Sources of estimation and outcome uncertainty

This first sustainability statement is characterized by contextual specificities linked to the first year of application of the ESRS standards:

- a lack of established practices, in particular with regard to an in-depth analysis of impacts, risks and opportunities or the definition of materiality thresholds (see section 4.1.4 "Impacts, risks and opportunity management");

4.1.2 Strategy

4.1.2.1 Strategy, business model and value chain (ESRS2 SBM-1)

Air France-KLM's Strategy, Business model and Value Chain will be described in accordance with the Group's main activity: air transport of passengers and cargo and maintenance activities.

Sustainability strategy

Sustainability is a collective responsibility, and Air France-KLM is committed to playing its role. The Group supports the adoption of ambitious environmental targets, advocating for an industry-wide transformation that ensures a global level playing field.

The Group is aware of the impact of the aviation sector on climate change and has developed a climate policy that outlines the principles that inform decision making within Air France-KLM, proposes levers for a Transition Plan and sets targets for progressively reducing the Company's climate-related impact.

The Group Transition Plan⁽¹⁾ reflects the ambition to reduce its emissions by:

- adapting its products, services and operations;
- accelerating the renewal of its fleet with more fuel-efficient aircraft;
- progressively replacing fossil fuel by alternatives with lower GHG emissions.

Air France-KLM is committed to its social responsibility, caring for people and cultures by:

- taking action to reduce noise pollution, investing in less noisy aircraft, developing and implementing noise abatement operational procedures, and working with airports and air traffic control to reduce noise exposure for communities;
- aiming to create a safe and motivating environment for its employees by promoting social dialogue, leading diversity and inclusion programs and continually developing employee skills to ensure professionalism and employability;
- striving to add economic and social value in the areas in which it operates, working together with local partners and supporting projects that contribute to future generations and local communities through its procurement.

Business model: description of products, services, markets, customers

The Group's business brings together people, economies, and cultures and drives economic growth and social progress.

The overarching ambition of Air France-KLM is to become a leading aviation company in Europe, supporting the ongoing industry-wide transformation through a Transition Plan structured with levers including the renewal of its fleet renewal, the use of SAF, the continuous improvement of its operational measures and inter-modality.

The Group's activity portfolio (see Chapter 1 of the 2024 Universal Registration Document, section 1.3 "Activities in 2024") is composed of a large range of services, products and partnerships aiming at fostering the Group's economic performance and social contribution.

The value creation model (see Chapter 1 of the 2024 Universal Registration Document, section 1.2.3 "Value creation model") shows the impact areas where Air France-KLM adds value and which, thanks to its fundamental strengths and unique competitive advantages, enables a response to societal and environmental challenges. As part of its day-to-day activities, the Group interacts with its stakeholders (employees, shareholders, customers, suppliers, authorities, local communities, and players in civil society such as NGOs, etc.), while its activities and operations have multiple impacts on society at large.

Value chain

A detailed description of the Group's value chain, covering both upstream and downstream aspects, is provided below:

Main features of the upstream value chain

The upstream value chain of Air France-KLM is composed of many suppliers involved in the Group's main activity: transport of passengers and cargo by air (including network business – passenger and cargo – and low-cost business – Transavia) and maintenance activities.

The operation of Air France-KLM's air transport services is supported by a robust upstream value chain comprising a network of dedicated suppliers and partners.

Central to the Air France-KLM operations is its fleet, supplied by aircraft manufacturers and aircraft lessors. These aircraft form the cornerstone of its passenger and cargo transport services. To maintain the highest safety standards, aircraft are revised and repaired by Maintenance, Repair and Overhaul (MRO) providers. This service is partly internalized as the Group has a maintenance business called Air France Industries & KLM Engineering & Maintenance ("AFI KLM E&M"). Therefore, to run this activity, the Group relies on spare part manufacturers, also known as OEMs (Original Equipment Manufacturers).

Fuel and SAF supply is a critical component for airlines. Air France-KLM work closely with fuel and SAF suppliers to ensure a steady and sufficient fuel supply for its fleet. The use of SAF is one of the main levers of Air France-KLM's carbon reduction strategy.

⁽¹⁾ For more details on the Transition Plan, refer to section 4.2.1.3.1 "Transition plan for climate change mitigation (E1-1)".

Passengers access Air France-KLM's services through various transport options, including other airlines via code-sharing, interlining and hybrid mobility solutions such as train services. Airports are part of the upstream value chain of the Group. Airport facilities and infrastructures allow Air France-KLM to welcome passengers, cargo and aircraft. Airports are the meeting point of the Group's upstream and downstream value chain, bringing operations and customers at the same place.

From a Cargo perspective, freight forwarders provide the Group with goods to be transported from origin to destination.

At the airports, aircraft preparation for subsequent flights involves several suppliers. Ground handlers manage operations ranging from refueling to luggage handling, while catering suppliers deliver meals directly to the aircraft. IT services providers ensure smooth operations with advanced software and hardware solutions. Air Navigation Service Providers are crucial for the safety of the Group's flight operations.

It is noteworthy that Air France-KLM partly internalizes other services, including ground handling and catering.

Main features of the downstream value chain

The downstream value chain of Air France-KLM is focused on delivering services to our customers and end users of the Group's services.

In passenger transport, the Group's clientele includes a diverse range of customers and end users. Individual passengers travel for leisure or to visit friends and family, while corporate passengers travel for work-related purposes. Air France-KLM caters to their needs through direct sales channels, including Air France-KLM agencies, mobile apps, and websites, as well as indirect channels via travel and corporate agencies, available both online and offline.

For cargo transport services, freight forwarders are Air France-KLM's primary customers and end users. These services are marketed through different distribution channels, providing flexibility and accessibility. Sales occur directly through Air France-KLM agencies, mobile apps, and websites, and indirectly through corporate agencies, both online and offline.

Air France-KLM's commitment to excellence extends to its Maintenance, Repair, and Overhaul (MRO) services. Through AFI KLM E&M, we provide these services to other airlines that are therefore part of the downstream value chain of the Group.

Main value chain actors

KEY SUPPLIERS

Key suppliers	Description / Relationship to AFKL
Airport facilities	Airport infrastructures and their managing organizations are responsible for providing and overseeing all equipment, runways, and facilities dedicated to aircraft, passengers, and cargo. These facilities enable Air France-KLM to accommodate planes and passengers, utilizing the infrastructure to conduct its operations effectively.
Fuel and SAF suppliers	Fuel and SAF suppliers deliver the fuel essential for Air France-KLM to operate its aircraft, enabling the transportation of passengers and cargo from one location to another.
Ground handlers	This encompasses a variety of services related to an aircraft while it is on the ground, including repositioning, pre- and post-flight preparation (such as refueling, marshaling, parking, towing, and luggage handling). Ground handlers support Air France-KLM in all ground operations, ensuring the aircraft is properly managed between flights. This allows Air France-KLM to transport passengers and cargo safely, on time and efficiently.
Catering providers	This pertains to the production and supply of food for each flight. Catering providers handle the provision of all in-flight meals for Air France-KLM flights, managing the production and delivery of food to the aircraft and waste disposal after each flight.
Aircraft OEMs or Lessors	Aircraft manufacturers or aircraft leasing companies. They provide aircraft and/or engines to Air France-KLM.
Spare parts manufacturers	This pertains to manufacturers of spare parts. They supply the essential components required to maintain and repair aircraft, ensuring compliance with security and safety regulations.
Air Navigation Service providers (ANSP)	Organizations that provide navigation services to aircraft within airspace to ensure the safe and efficient passage of aircraft globally. ANSPs assist Air France-KLM pilots in navigation, ensuring the Group transports passengers from point A to point B without encountering any issues while being in the sky.

Key suppliers	Description / Relationship to AFKL
MRO providers	Aeronautical Maintenance, Repair and Overhaul (MRO) covers all the activities that keep the fleet and equipment in good operating order. This includes routine maintenance tasks and major overhauls and repair. MRO providers ensure Air France-KLM's fleet airworthiness with the highest safety standards.
Airlines – Train companies	Other airlines or train companies that transport Air France-KLM passengers from/to the airports where Air France-KLM operates through train transportation (hybrid mobility), interline, or codeshare agreements with other airlines
IT services providers	IT services provide equipment (software and hardware) and services that help the Group run its activities.
Freight forwarders	Entities that coordinate and organize the transportation of shipments on behalf of shippers. Freight forwarders act as intermediaries for the Group, generating revenue for Air France-KLM. The Group is responsible for ensuring the proper delivery of the entrusted products from one airport to the other.

KEY CUSTOMERS AND/OR END-USERS

Key customers	Description / Relationship to AFKL
Individual passengers	Individuals traveling for leisure or personal reasons. Passengers pay Air France-KLM for their journey, and in return, Air France-KLM guarantees their transportation.
Corporate passengers	Individuals traveling for work-related purposes. A company pays Air France-KLM for an employee's travel, and in return, Air France-KLM ensures their transportation.
Freight forwarders	Entities that coordinate and organize the transportation of shipments on behalf of shippers. Freight forwarders act as intermediaries for the Group, generating revenue for Air France-KLM. The Group is responsible for ensuring the proper delivery of the entrusted products.

DISTRIBUTION CHANNELS

Key Distribution channels	Description / Relationship to AFKL
Air France-KLM	The Group's sales department, mobile applications and websites allow individuals, corporate passengers, and cargo customers to book their flights directly from Air France-KLM.
Travel/corporate agents	Agencies assist individuals and corporate passengers in booking their trips, including flights and hotels. They serve as one of the initial points of contact for the Group's potential customers, acting as both a source of revenue and a key element of the Air France-KLM customer experience.
E-travel agents (online travel agencies)	Online platforms that act as intermediaries between travel inventory suppliers, such as airlines, hotels, and tour operators. These online agencies contribute to the Group's revenue, showcasing Air France-KLM's products and serving as a distribution channel for the Group.

Approach to gathering, developing and securing inputs

Air France-KLM has entered into various agreements and contracts with different suppliers. These agreements assist the Group in managing and securing the necessary resources to conduct its activities, despite potential challenges with some suppliers.

Expected benefits for customers and society

Air France-KLM business brings connectivity to the world by gathering people together and helping customers discover new places and new cultures. In addition, the Group's activities drive social progress and economic growth by securing the sustainability of global economic exchanges.

Air France-KLM contributes to employment in France, the Netherlands and regions where the Group operates. Air France-KLM provides qualified jobs and fosters its employees' personal development (see Chapter 1 of the 2024 Universal Registration Document, see more details in section 1.2.3 "Value creation model").

Throughout its value chain, Air France-KLM also creates indirect jobs and indirect economic activity contributing to the socio-economic dynamic of France, the Netherlands and other regions. Economic growth is also supported by the Group's large network allowing efficient transport of people and goods. For more information, see section 4.4.2 "Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)".

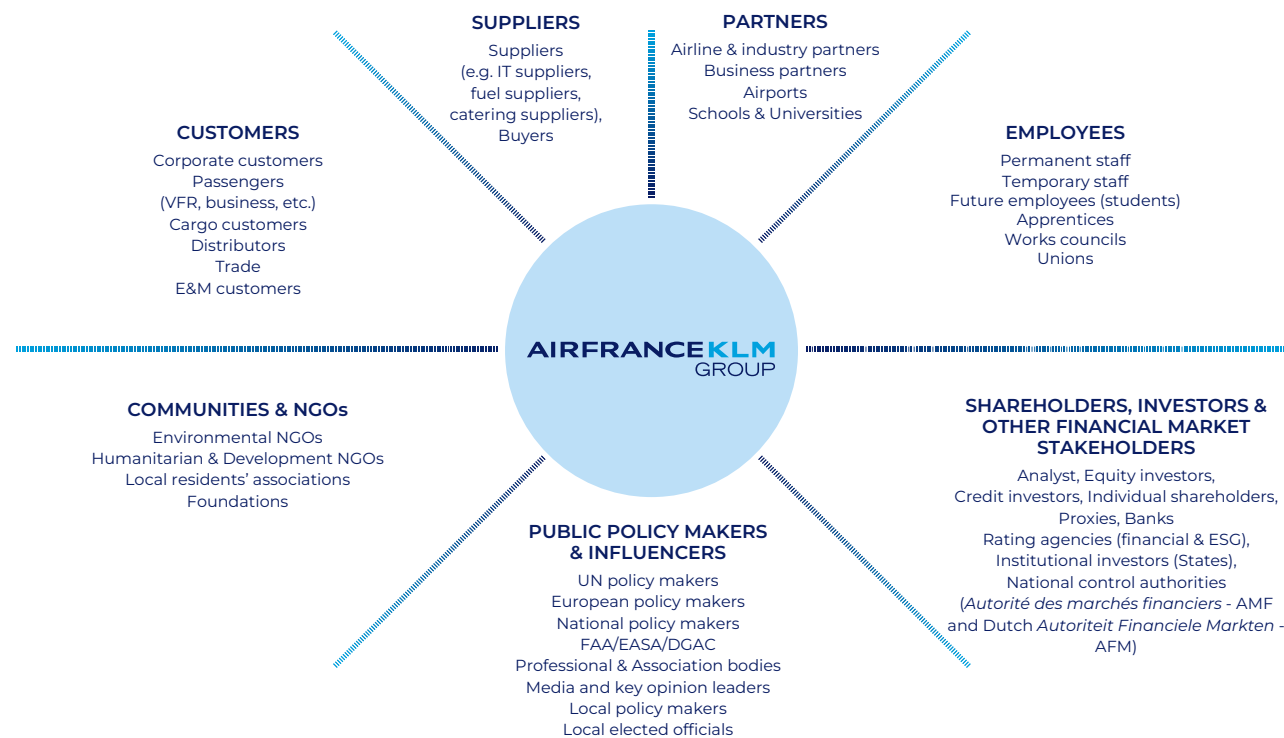
The Group supports research and innovation projects that contribute to the aviation industry's carbon footprint reduction and aim for a more efficient use of resources. The Group is actively mobilizing the sector to develop an international market for SAF through, for example, the Air France-KLM Corporate SAF Program.

4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2)

Stakeholder engagement is a key lever for achieving a successful environmental, social and governance transition for the Group. Ongoing dialogue and a mutual understanding of the challenges facing Air France-KLM and its environment are key to building long-term relationships with stakeholders and to co-constructing and developing appropriate, innovative solutions. The Group interacts closely with various stakeholders and pays great attention to their expectations. Several initiatives enable their perception to be evaluated on a regular basis through, in particular:

- internal barometers and meetings to gather employee suggestions;
- customer perception and satisfaction surveys;
- regular exchanges with institutional and individual shareholders, mainstream and Socially Responsible Investment (SRI) investors together with recommendations from extra-financial rating agencies;
- discussions during annual General Shareholders' Meetings (including prior discussions with proxy advisors and shareholders on proposed resolutions);
- dialogue with the authorities and national policy makers;
- dialogue with airports;
- dialogue with NGOs;
- dialogue with local communities on noise management;
- dialogue and evaluation of supplier sustainability performance;
- regular dialogue with financing banks (on financial and sustainability topics)
- exchange of best practices and working groups within the industry and with other large companies;
- opinions and feedback from dedicated email addresses, websites and social media;
- feedback channels deployed to enable stakeholders (particularly employees, customers and residents around airports) to communicate any comments and complaints.

STAKEHOLDER MAP



Each business unit, led by its respective EVP, is responsible for regularly reporting to governance bodies on the Group's interactions and initiatives with stakeholders. These updates are structured and provided consistently throughout the year, in particular, to the Group Executive Committee, the Decarbonization Committee, the Sustainable Development and Compliance Committee and the Board of Directors.

These reports summarize key engagements, outline progress on collaborative initiatives and highlight feedback or concerns raised by stakeholders. For additional information on the governance process, see section 4.1.3.1 "The role of the administrative, management and supervisory bodies (GOV-1)".

OVERVIEW OF THE INITIATIVES UNDERTAKEN WITH STAKEHOLDERS IN 2024

STAKEHOLDER : CUSTOMERS

Platform & other means of stakeholder engagement:

- Regular interactions between corporate customers and commercial teams, in particular, monthly meetings etc.;
- Events on sustainability;
- Customer referral club;
- Customer focus group on specific sustainability topics.

Topics:

- Discovery of the Group's business and organization;
- Presentation of the decarbonization strategy;
- Tests and approvals of new offers including sustainability elements;
- Reflections on the evolution of commercial offers;
- Dialogue on specific sustainability topics such as the creation of a sustainable development label on Air France's advertising messages.

Outcome including amendments to strategy / business model:

- Need to strengthen the voluntary SAF corporate program;
- Strengthening competitiveness and image: an engaging approach enhances the Group's reputation and helps differentiate it from competitors as well as secure customer's trust and preference;

- Update and review of advertising campaigns;
- Evolution of commercial offers including SAF bundles and options (see section 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3)").

Next steps:

- Continue to improve the quality and level of the Group's products and services, offer a unique travel experience to its customers and create memorable experiences while also moving towards travel with a lower environmental impact (see Chapter 1 of the 2024 Universal Registration Document, section 1.5 "Customer experience");
- Development and enhancement of SAF corporate program - promote the Group's B2B offers;
- Evolution of commercial SAF offers for B2C (see section 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3)");
- Continue to develop catering with reduced environmental impact and involve the customers in the on-board pre-order system to reduce food waste (see Chapter 1 of the 2024 Universal Registration Document, see section 1.5.3 "Air France and KLM are taking action for more responsible travel")

STAKEHOLDER : SUPPLIERS

Platform & other means of stakeholder engagement:

- Procurement department which works in particular on the "Air France-KLM Responsible Procurement program";
- Procurement Academy (launched in 2021);
- Bi-monthly meetings of the combined Dutch / French procurement teams;
- Foster supplier engagement through various initiatives:
 - AIRPro initiative launched in 2023: Air France-KLM Group and other airlines together with EcoVadis,
 - Carbon Disclosure Project (CDP) Climate Module Assessment,
 - Member of the Flight Challenge;
- Encourage supplier diversity through various partnerships & initiatives e.g.: I am Skyhop Global, AAB In Flight.

Topics:

- Implementation of a sourcing process that aims to select products, services and business partners that align with the Group's ambitions in terms of sustainability;
- Purchasing: strong focus on SAF, exploration of aircraft maintenance and components, airport handling, cargo trucking and onboard products;
- Supplier screening & assessment with EcoVadis to assess their sustainability performance;

- Online courses offered by the Procurement Academy to buyers and other procurement staff. The training covers various sustainability topics including onboarding modules for new buyers;
- Buyer engagement: signature of a Code of Ethics and anti-corruption/ethics training every other year on a regular basis as well as training courses and workshops on various sustainability matters (e.g. EcoVadis, Climate Fresk carbon disclosure project, circular plastics, regulatory changes, etc.);
- Flight Challenge: serves as a platform by bringing together airlines, industry partners, and environmental organizations to collaboratively develop and showcase innovative solutions for reducing the aviation industry's environmental impact.

Outcome including amendments to strategy /business model:

- The Group actively encourages all suppliers to do an assessment with EcoVadis. This assessment is a mandatory requirement for suppliers that have been identified as sustainability high risk suppliers. Find more information in the section on "Supply chain in Chapter 4.7 "Monitoring of Act No. 2017-399 known as the Duty of Vigilance Law";
- The Air France-KLM Procurement team seeks to engage with suppliers based on their EcoVadis assessment score to promote the improvement of their sustainability performance and/or discontinue suppliers that do not meet the Group's requirements;
- AIRPro sector initiative aims to introduce similar standards for procurement to further increase sustainability and supply chain transparency in the aviation industry.

Next steps:

- Promote supply chain transparency: encourage all suppliers to conduct sustainability assessments on a voluntary basis and beyond (legal) compliance;
- Procurement department to actively engage with suppliers who will align with the Air France-KLM Responsible Procurement program;

- Update the procurement policy and develop buyers' engagement and knowledge on sustainability;
- Develop the internal newsfeed: monthly newsletter on sustainability matters.

STAKEHOLDER : EMPLOYEES

Platform & other means of stakeholder engagement:

- Ongoing dialogue with key stakeholders: future employees (students), apprentices, temporary staff, permanent staff, works councils, unions;
- Compulsory training for all executives and managers in 2024 in the "My Climate School" program;
- Training for new recruits;
- Acculturation within works councils and works committees;
- Air France Prospective Committee;
- Employee promoter score (EPS) used by Air France, KLM and Transavia to measure employee satisfaction;
- Regular meetings with employee representatives and works councils at airline level;
- "Flight Plan" roadmap;
- Internal communication tools, development of social media platforms, events at schools and in Group & airlines' premises, newsletters, generic email addresses, etc.;
- Mentorship of trainees.

See for more details section 4.3.1 "Own workforce (ESRS S1)".

Topics:

- Provide a common knowledge base on the challenges and performance of environmental transition;
- Social dialogue regarding the environmental transition;
- Explain the Group's commitments, impacts, actions and results on sustainability matters ;
- Information on performance management and D&I (safe workplace for everyone);
- Attention to stakeholders' expectations: internal barometers and meetings to gather employee suggestions and deployment of feedback channels to enable stakeholders to communicate comments and complaints transition;
- Present and discuss the Flight Plan which aims to motivate employees through a defined action plan at the level of every division of the airlines and the Group including, in particular, an ongoing commitment to diversity, inclusion and interpersonal connection, staff development, support for initiative, promotion of team spirit and collaboration;
- Inform, raise awareness and train employees in the challenges of environmental transition via internal communication;
- Give guidance, evaluate and involve trainees through mentorship programs.

Outcome including amendments to strategy / business model:

- Commit the employees to participating in the environmental transition: employees are both actors and ambassadors of the transformation;
- Identify and support changes in the various business lines linked to environmental transition;
- Airlines are responsible for creating a culture and environment in which everyone feels comfortable and is supported in the right way to make a difference. Employee engagement is steered in all the teams and businesses;
- Foster employee commitment and motivation by offering employees working conditions that enable them to fulfill their professional duties effectively and thus contribute to the Group's performance;
- Creation by KLM in 2024 of a clear survey calendar to obtain insights at every stage of the employee journey and drive improvements in overall employee engagement;
- Mobilize employees to take action on environmental issues to foster innovation and business transformation.

Next steps:

- Launch of the second phase of compulsory training under the "My Climate School" program in 2025 open to all company employees with a personalized section for each business line to enable them to take action at their own level;
- Regular update of the EPS survey by Air France to poll employees on various questions that help understand their expectations;
- Once a year, KLM and Transavia to send a broad questionnaire to complement the EPS measurement;
- Focus on the Group's D&I priorities: leadership, culture and measurement;
- Creation of networks of environmental transition ambassadors in Air France and KLM in order to create a CSR channel to target employees who want to take action on leveraged positions;
- Strengthen the employer brand through partnerships with schools and universities;
- Continue dialogue with unions on transition issues.

STAKEHOLDER : PARTNERS**Platform & other means of stakeholder engagement:**

- Working groups;
- Education-focused partnerships with schools and universities: conferences, presentations, fairs, participation in advisory bodies and committees, etc.;
- Contribution to research and development via partnerships with knowledge institutes and research laboratories and patronage of various chairs such as Air France's patronage of the Novaero chair launched by ENAC to train the future players in the transformation of the transportation sector and help meet the key challenges of reducing aviation's climate and environmental impact, and Air France's contribution to the work of the IPSL chair on non-CO₂ effects. KLM is also actively involved in various initiatives, such as the Electric Flying Connection, Power Up, Heart Aerospace Advisory Board, and the Duurzame Luchtvaarttafel.

Topics:

- Accelerate the emissions reduction of air transport in Europe;
- Build a powerful network to exchange best practices and pool resources on transition issues;
- Conclude new partnerships to foster environmental cooperation;
- Partner with schools and universities: educate students on environmental transition in the airline industry and the reduction in the carbon footprint, and develop employer brand appeal.

Outcome including amendments to strategy / business model:

- Impact thanks to collaboration via sharing resources and know-how e.g., bring together public and private stakeholders around a development plan for SAF. In particular, on September 23, 2024, Air France-KLM ramped up its SAF offtake agreement with TotalEnergies, which will supply up to 1.5 million tons of SAF over a 10-year period (see 2024 Universal Registration Document, Highlights of the 2024 financial year);
- Improvement of employer brand appeal and enhanced student skills;

- Offer customers solutions to reduce their carbon footprints and support environmental projects to develop innovative solutions e.g.:

- form stronger partnerships with railway companies: to strengthen intermodality competitiveness, create efficient customer connections, offer other travel solutions, e. g., partnership with SNCF (i.e., Air France's rail & air "Train + Air" product) and Eurostar,
- route and flight path optimization (e.g., partnerships with Open Airlines and OptiFlight),
- partnership between Air France and Météo France to establish weather models to adapt Air France's operations to higher temperatures,
- research and development program for air traffic management, SESAR (Single European Sky ATM Research Program);

- Amsterdam Airport Schiphol and KLM join forces with Delft University of Technology for the future of work in baggage handling halls;

- AeroDelft and KLM Partner to Explore Hydrogen in Aviation (for additional information, see section 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3)").

Next steps:

- Continue to talk with students and contribute to research work on ecological transition to create awareness, improve brand appeal, attract key talent and develop new professions (see section 4.3.1.6.6 "Action plans in place or planned – Training & skills development and talent attractiveness (S1-4)");
- Reduce the impact of waste on board the aircraft by working on recycling with partners and suppliers;
- Work with aircraft manufacturers to adapt the Group's fleet plan to reduce emissions;
- Boost the competitiveness of the intermodality product by working on connecting times;
- Work with partners to manage operational risks linked to climate-related crises;
- Sign strategic partnerships and invest in SAF production capabilities; develop innovative low-emission solutions on the ground and in the air;
- Raise awareness around the potential and the challenges associated with SAF.

STAKEHOLDER : SHAREHOLDERS, INVESTORS & OTHER FINANCIAL MARKET STAKEHOLDERS

Platform & other means of stakeholder engagement:

- Roadshows with investors;
- Capital market days;
- Individual and group calls with analysts;
- Participation in (ESG) conferences organized by brokers;
- Engagement with proxies ahead of AGM (on strategy, policies related to governance, remuneration and new issue resolutions);
- Engagement with rating agencies;
- Engagement with banks;
- Annual Shareholders' Meeting and holding of the Individual Shareholders' Consultative Committee;
- Reporting: annual report, half-year financial report, publication of quarterly results, etc.;
- Dedicated means of communication with individual shareholders (generic e-mail address, consultative committee, newsletter, dedicated website);
- Yearly visit with the AMF and specific meetings and discussions when needed with the AMF or AFM.

(For additional information, see Chapter 2 of the 2024 Universal Registration Document, section 2.7.6 "A regular dialogue with individual shareholders and investors".)

Topics:

- Financial and extra-financial results;
- ESG Strategy;
- Decarbonization roadmap;
- Any specific event that impacts the Group's activity or strategy (see also 2024 Universal Registration Document, "Highlights of the 2024 financial year" and "Highlights of the beginning of the 2025 financial year").

Outcome including amendments to strategy / business model:

- Raise awareness and knowledge about the Group in order to attract investors to buy existing financial instruments or newly issued financial instruments;
- Impact on the share price;
- Impact on the interest rate, credit rating and cost of lending capital (CSR targets included in the financing as the Group's activities impacts the bank's scope 3 carbon footprint);
- Reputational risk profile;
- Financial risk profile.

Next steps:

- Further develop relations with ESG rating agencies;
- Improve the quality of sustainability information disclosure positively impacting ESG ratings and ESG investors' interest;
- Demonstrate a more sustainable leadership to attract investors and secure financing.

STAKEHOLDER : PUBLIC POLICY MAKERS & INFLUENCERS

Platform & other means of stakeholder engagement:

- Local, European and international business, industry and employer associations, federations such as, AFEP, Medef, VNO-NCW (*Verbond van Nederlandse Ondernemingen en het Nederlands Christelijk Werkgeversverbond*), IATA, A4E, FNAM, GIFAS and ASD;
- Think tanks, such as EdEn and T&E;
- International, European, French, and Dutch public policy-makers, such as the European Commission, the Committee on Aviation Environmental Protection (CAEP) of the International Civil Aviation Organization (ICAO), ministerial offices, members of parliament, academic community, the French General Secretariat for Ecological Planning, French civil aviation authority (DGAC), Dutch Human Environment and Transport Inspectorate (ILT), French Directorate-general for energy and climate (DGECE), Dutch Ministry of Economic Affairs and Climate Policy (*Ministerie van Economische Zaken en Klimaat*), the French environmental agency, French agency for ecological transition (ADEME), Netherlands Environmental Assessment Agency (*Planbureau voor de Leefomgeving*, PBL), French airport nuisance control authority (ACNUSA)

Topics:

- Legislative and regulatory monitoring;
- Raising awareness of Air France-KLM Group's performance and challenges among public decision-makers and influencers;
- Defending the Group's interests and promoting its actions in particular, to reach a level playing field and fair conditions of competition (see section 4.4.2 "Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)");
- Explaining current and future initiatives to minimize environmental impact;

- The Group brings, among other things, economic activity, employment and knowledge transfer.

Outcome including amendments to strategy / business model:

- Anticipating changes in standards and policies affecting our business model;
- Alignment with societal and regulatory expectations;
- Understanding by the Group of the point of view of the main players involved in air transport, in order to adapt actions aimed at reducing the negative externalities generated by its activity;
- Explain the Group's objectives, the actions implemented to achieve them and the constraints it faces.

Next steps:

- Continue conducting the inventory and getting in touch with stakeholders on sustainability;
- Define a contact plan;

- Ensure a collaborative dialogue with the determination of messages for each target and communication channels;
- Further detailing of impact of policies under consideration to allow for well-informed decisions.

STAKEHOLDER : COMMUNITIES & NGOS**Platform & other means of stakeholder engagement:**

- Bilateral meetings with NGOs;
- Partnerships with various NGOs such as Aviation without borders, Acting for Life, Wings of Support and Air France corporate foundation (La Fondation Air France);
- Various meetings on noise management with local communities, see section 4.3.3 "Affected communities – Noise management (ESRS S3)".

Topics:

- Dialogue on the Group commitments, actions and results in terms of environmental transition;
- The Group and its airlines partner with local and global NGOs to extend its reach and impact;
- La Fondation Air France funds association projects for a more sustainable tourism;
- Discussions on noise management.

Outcome including amendments to strategy / business model:

- Enriching the Group's strategy through the development of knowledge resulting from research projects;
- Partnerships with NGOs and financial support to develop humanitarian sponsorship, bring support for children and young people, finance educational projects that help promote new behaviors and a better understanding of climate issues, as well as training and awareness-raising projects on practices that respect natural resources along with a more sustainable territorial economic and social development;
- Volunteer work by active and retired Group employees.

Next steps:

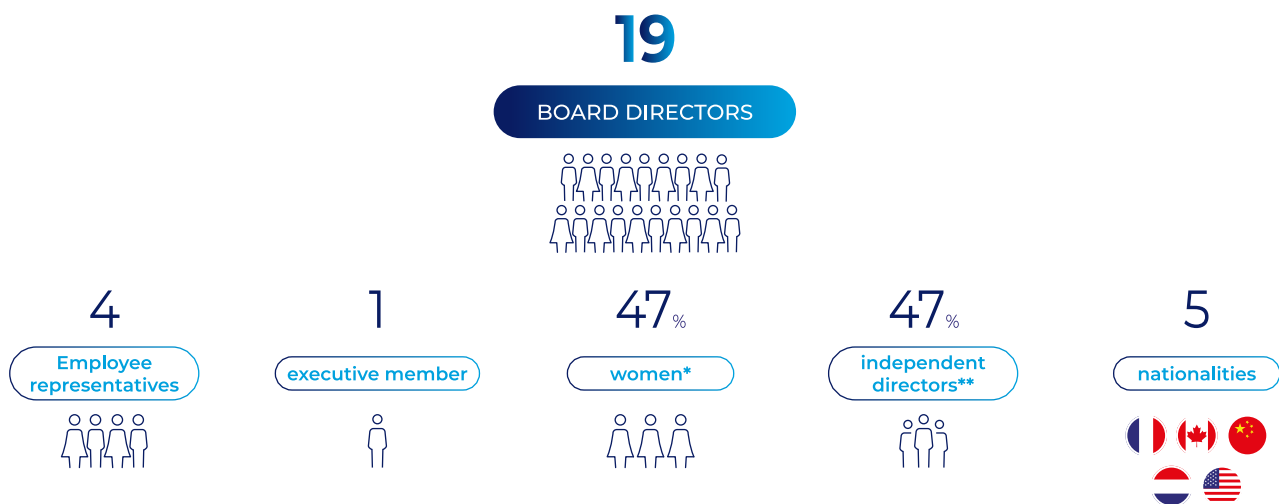
- Continue partnerships with NGOs to raise environmental awareness, support education and social and professional integration;
- Finance associative projects that promote awareness among children and young people and contribute to more sustainable tourism in the region;
- Create a 'critical friends committee' as a platform for dialogue with NGOs.

4.1.3

Governance

4.1.3.1

The role of the administrative, management and supervisory bodies (GOV-1)
Composition and diversity of the Board of Directors



* Board directors representing employees and directors representing employee shareholders appointed in accordance with Articles L. 225-23 and L. 225-27-1 of the French Commercial Code are not taken into account in calculating parity in accordance with the provisions of the aforementioned articles

** In accordance with article 10.3 of the AFEP-MEDEF Code, Board directors representing employee shareholders and Board directors representing employees are not included in this percentage.

Board directors' relevant experience to the Company's sectors, products and geographical areas

Air France-KLM, whose shareholders include the French and Dutch States, is a major player in international air traffic, with a worldwide network of over 320 destinations served by its French and Dutch airlines: Air France, KLM and Transavia.

Relevant business sectors: air transport, transport (GICS 2030⁽¹⁾).

Relevant geographical areas: France, Netherlands and International.

Board directors' experience and terms of office are described in Chapter 2 of the 2024 Universal Registration Document (Corporate Governance Report), section 2.1.2 "Presentation of the Board directors at December 31, 2024".



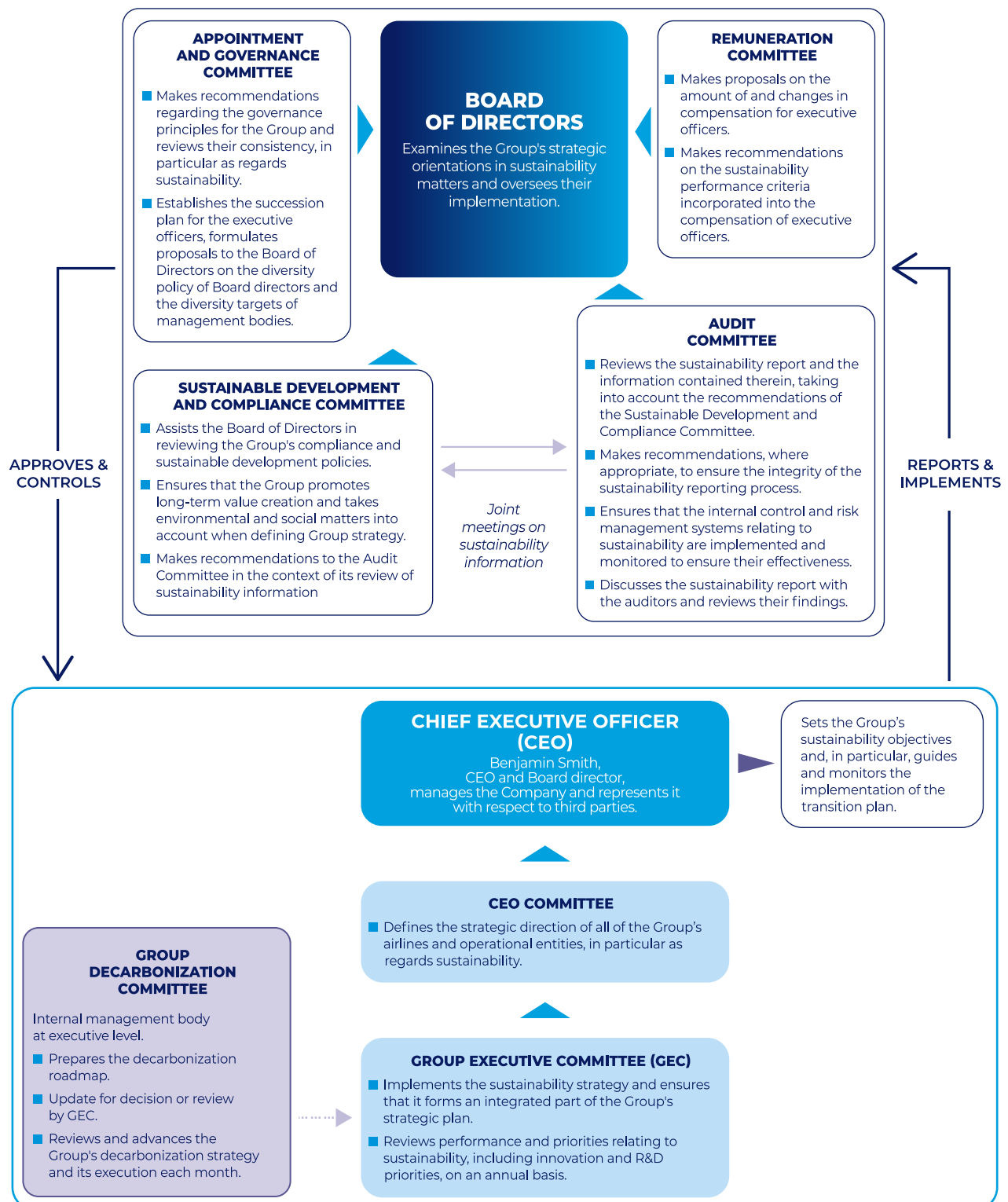
* Global Industry Classification Standard (GICS®) developed by S&P Dow Jones Indices and MSCI, levels 2 and 3

⁽¹⁾ Global Industry Classification Standard (GICS®) developed by S&P Dow Jones Indices and MSCI, levels 2 and 3.

Roles and responsibilities

Sustainable development governance is ensured by the Group's highest governing bodies. The Board of Directors, the CEO Committee and the Group Executive Committee consider sustainable development issues to be one of the Group's priorities and receive regular reports from the teams in charge of sustainable development. They ensure that sustainability decisions are relevant and taken in all the entities concerned.

The results of the Group's double materiality assessment and the resulting material impacts, risks and opportunities ("IROs", see section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)") are taken into account in the context of the definition of the sustainability strategy and its implementation by the Group's governing bodies, as shown in the graph below.



Regarding climate, a Decarbonization Committee was created in 2021 given the importance of the matter. This Committee, chaired by the Group Sustainability Director, is composed of the majority of the members of the GEC, as well as the Financial and Sustainability Directors of the Group and the airlines. It is responsible for updating the decarbonization roadmap and reviewing and advancing the Group's decarbonization strategy and its implementation. In this context, the Decarbonization Committee makes recommendations to the GEC. Matters are then discussed and validated by the GEC, before a report is presented to the Sustainable Development and Compliance Committee and the Board of Directors.

In addition, since fiscal year 2024, the Audit Committee's tasks have been extended to monitoring matters relating to the preparation, control and publication of sustainability information and, in particular, the preparation of the sustainability statement (including, in particular, the preparation of the double materiality matrix and the identification of relevant IROs). In this context, joint meetings between the Audit Committee and the Sustainable Development and Compliance Committee are organized to review sustainability information prior to approval of the CSRD annual report by the Air France-KLM Board of Directors.

Board directors' competencies and expertise

1) Board directors' sustainability expertise:

The Board of Directors brings together a wide range of complementary competencies and experience, particularly in the field of sustainability, which has enabled it to carry out major projects, placing sustainability matters at the heart of the Group's strategy.

The table below sets out, for each director, the areas of sustainability expertise required to ensure that the Board of Directors operates effectively in relation to the sustainability matters it deals with (the table setting out the competencies of directors is detailed in Chapter 2 of the 2024 Universal Registration Document, section 2.2.3 "Diversity policy applicable to the Board directors"). The review of these skills is the focus of a specific item during the annual assessment of the Board of Directors, as part of the analysis of the individual contribution of Board directors to the Board's work.

Board directors	Ethics and compliance	Environment	Human resources	Governance
Anne-Marie Couderc	✓	✓	✓	✓
Benjamin Smith	✓	✓	✓	✓
Gwenaëlle Avice-Huet		✓		✓
Leni M.T. Boeren	✓	✓	✓	✓
Isabelle Bouillot	✓		✓	✓
Delta Airlines Inc. (represented by Alain Bellemare)	✓	✓	✓	
Wiebe Draijer	✓	✓	✓	✓
Dirk Jan van den Berg	✓		✓	✓
Anne-Marie Idrac	✓	✓	✓	✓
Florence Parly				✓
Alexander Wynaendts	✓	✓	✓	✓
James Wang		✓		✓
Céline Fornaro				✓
Yann Leriche	✓	✓	✓	✓
Pascal Bouchiat	✓			✓
Nicolas Foretz		✓	✓	
Michel Delli-Zotti		✓		
Didier Dague	✓	✓	✓	
Terence Tilgenkamp	✓	✓	✓	
TOTAL NUMBER OF BOARD DIRECTORS	13	14	13	14

Competencies	Link to Group impacts, risks & opportunities
Environment	The analysis of double materiality and impacts, risks and opportunities revealed that contributing to climate change mitigation (E1, see section 4.2.1 “Climate change (ESRS E1)”) is a material issue for the Group. Climate change may have an impact on the future of the aviation sector, depending on current and future regulations and SAF costs and availability, and requires a clear focus on energy transition.
Human Resources	Social dialogue, diversity, equity and inclusion (S1, see section 4.3.1 “Own workforce (ESRS S1)”) are also of significant importance to the Group and are actively managed. Conflicting negotiations, industrial disputes or strikes could have a potential impact on employee commitment, customer service quality, operations, the Group's reputation and its attractiveness as an employer. Promoting constructive and transparent dialogue to create mutual trust, following a policy based on respect for individuals and responsibility towards customers, is therefore key. The Group is committed to implementing a voluntary and proactive approach to risk prevention and to protecting the health and safety of employees in the workplace. Furthermore, increased social costs (conflicts, absenteeism, resignations), reduced capacity for innovation due to a lack of diversity, and a deterioration in the company's reputation as an employer could have a major financial impact on the Group. The Group therefore strives to maintain a transparent dialogue with its employees and also promotes diversity, implements processes to guarantee equal opportunities and fights against all forms of discrimination.
Ethics & Compliance	As a Group with an international dimension, operating throughout the world and employing a large number of people, Air France-KLM is committed to respecting ethical values and the laws applicable to it in terms of regulatory compliance (G1, see section 4.4.1 “Business conduct (ESRS G1-1, G1-3, G1-4)”). Unethical practices may arise in the course of the Group's activities and could damage its reputation and lead to legal proceedings for failure to comply with business ethics regulations.
Governance	The Board of Directors approves the Group's strategic orientations, including social and environmental issues, and reviews them at least once a year. In this context, it oversees the integration of the requirements of the CSRD Directive and the IROs into the Group's strategy and operations (GOV-1 and GOV-2, see section 4.1.3.2 “Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies”). To this end, it ensures that the internal control and risk management systems are adequate and that the sustainability data reported is reliable.

2) *Developing Board directors' expertise: setting up specialized training to oversee sustainability information*

In 2024, the Board of Directors placed sustainability matters at the heart of its work and integrated sustainability criteria into its decision-making process.

To ensure informed decision-making, a training program, updated each year, is made available to Board directors. In accordance with the provisions of the French Commercial Code and the AFEP-MEDEF Code, training is offered on a range of environmental, governance, and social issues. For instance, in the second half of 2024, a Board director had the opportunity to take a certification course at Dauphine University on governance, climate, and sustainable transformation.

At the Board of Directors' strategic seminar held in July 2024, the Group's Sustainability Director gave a presentation on sustainable aviation and the risks and opportunities associated with the Group's decarbonization trajectory, and presented the Group's CO₂ intensity reduction roadmap.

In addition, individual interviews on the subject of climate change were held in September 2024 between the Group Sustainability Director and the Board directors. On all the topics discussed during the interviews, the vast majority of Board directors would like to deepen their knowledge on the energy transition and the SAF industry. To this end, to continue awareness-raising initiatives, a group information session on SAF will be organized by the Sustainable Development and Compliance Committee in the Spring of 2025. In addition, several additional discussions were scheduled with Board directors following these initial interviews, for specific, targeted information needs on environmental topics.

Lastly, a first joint meeting between the Audit Committee and the Sustainable Development and Compliance Committee, in the presence of various consultants that have supported the Group in setting up sustainability reporting, was held on October 22, 2024, in the form of a workshop dedicated to CSRD. The meeting aimed to train Board directors on CSRD challenges, discuss the assessment and results of the Group's double materiality analysis, and identify how CSRD regulation can help the Group improve its sustainable development practices.

4.1.3.2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)

Air France-KLM integrates sustainability issues, and particularly IROs, into the definition of its global strategy. The Group's main strategic directions and IROs are regularly discussed and reviewed by the Board of Directors, the Audit Committee and the Sustainable Development and Compliance Committee, in particular when reviewing quarterly, half-yearly and annual results and determining the budget.

A specific annual meeting of the Board of Directors is also dedicated to Group strategy. During this meeting, the Board directors review, in particular, commercial and brand strategy, maintenance, cargo, alliances and partnerships, the evolution of the fleet plan, as well as the Group's decarbonization trajectory. The main strategic directions linked to the IROs are then defined and have a particular impact on the decarbonization trajectory, the evolution of the fleet plan, SAF's purchasing policy, diversity and employee commitment and satisfaction.

In 2023, an initial assessment of IROs was carried out as part of the double materiality analysis (see section 4.1.4 "Impacts, risks and opportunity management"). This assessment was presented and discussed at a CSRD workshop in October 2024 with the Audit Committee and the Sustainable Development and Compliance Committee. The final list of IROs for fiscal year 2024, adjusted following these discussions, was approved by the GEC in November 2024 and by the Board of Directors in early December 2024. In the future, the updating of the IROs will be systematically discussed and reviewed by the GEC and submitted to the Board of Directors for approval on the recommendation of the Audit and Sustainability and Compliance Committees. The Decarbonization Committee will also review the IROs for which it is responsible prior to the GEC's review.

Material impacts, risks and opportunities addressed by the Board of Directors and management bodies in fiscal year 2024

	E1 – Climate change	E2 – Pollution	E5 – Circular economy	S1 – Employee	S2 – Value chain workers	S3 – Affected communities	S4 – Consumers and end- users	G1 – Business conduct
Board of Directors	✓	✓		✓		✓	✓	✓
Audit Committee	✓	✓	✓	✓	✓	✓	✓	✓
Sustainable Development and Compliance Committee	✓	✓	✓	✓	✓	✓	✓	✓
Appointment and Governance Committee				✓				✓
Remuneration Committee	✓			✓				✓
CEO Committee	✓			✓		✓		✓
Group Executive Committee	✓	✓	✓	✓	✓	✓	✓	✓
Decarbonization Committee	✓							

For more details on IROs, see section 4.1.4 "Impacts, risks and opportunity management".

4.1.3.3 Objectives and variable remuneration aligned with ESG (GOV-3)

The compensation of company officers is set by the Board of Directors, on the recommendation of the Remuneration Committee, in accordance with the provisions of the French Commercial Code and the AFEP-MEDEF Corporate Governance Code. The compensation policy for Company officers, established annually by the Board of Directors, sets out the principles and criteria for determining, allocating and granting the fixed, variable and exceptional components of the total compensation and benefits of all kinds attributable to the Chairman of the Board of Directors, the Chief Executive Officer and the Board directors, as well as their

relative importance. In this context, quantitative and qualitative sustainability performance criteria are included in the Chief Executive Officer's variable compensation. The Remuneration Committee has changed the distribution of quantitative sustainability performance criteria in the annual and long-term variable compensation components. All these elements are detailed in Chapter 2 of the 2024 Universal Registration Document, sections 2.5.2 "Compensation of the Company officers in 2024".

4.1.3.4 Statement on due diligence (GOV-4)

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	4.1.2 Strategy 4.1.3 Governance 4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3) 4.2.1.2 Climate governance (ESRS2 GOV-3) 4.2.1.3 Climate strategy (EI-1, ESRS2 SBM-3) 4.2.1.3.2 Material impacts, risks and interaction with strategy and business model (ESRS2 SBM-3) 4.3.1.2 Interest and views of stakeholders (ESRS2 SBM-2) 4.3.1.3.1 Material IROs – Social dialogue (ESRS2 SBM-3) 4.3.1.4.1 Material IROs – Working conditions (ESRS2 SBM-3) 4.3.1.5.1 Material IROs – Diversity, Equity and Inclusion (ESRS2 SBM-3) 4.3.1.6.1 Material IROs – Training & skills development and talent attractiveness (ESRS2 SBM-3) 4.3.1.7.1 Material IROs – Working rights and human rights (ESRS2 SBM-3) 4.3.2.1 Interaction between IROs, strategy and business model (ESRS2 SBM-2, SBM-3) 4.3.3.1 Interaction between IROs, strategy and business model (ESRS2 SBM-2, SBM-3) 4.3.4.2 Interaction entre IRO, stratégie et modèle d'affaires (ESRS2 SBM-2) 4.3.4.3.1 Material IROs – Customer engagement (ESRS2 SBM-3) 4.3.4.4.1 Material IROs – Operational Safety & Security of Air Transportation (ESRS2 SBM-3) 4.4.1.1 Corporate culture (G1-1) 4.4.1.2 Governance – Corporate culture in business conduct (G1 - ESRS 2 GOV-1) 4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4)
b) Engaging with affected stakeholders in all key steps of the due diligence	4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2) 4.3.1.2 Interest and views of stakeholders (ESRS2 SBM-2) 4.3.1.3.3 Processes in place to engage with own workers and workers' representatives – Social dialogue (S1-2) 4.3.1.4.3 Channels for own workers to raise concerns - Social dialogue (S1-3) 4.3.1.4.3 Processes in place to engage with own workers and workers' representatives – Working conditions (S1-2) 4.3.1.4.4 Channels for own workers to raise concerns – Working conditions (S1-3) 4.3.1.5.3 Processes in place to engage with own workers and workers' representatives – Diversity, Equity and Inclusion (S1-2) 4.3.1.5.4 Channels for own workers to raise concerns – Diversity, Equity and Inclusion (S1-3) 4.3.1.6.3 Processes in place to engage with own workers and workers' representatives – Training & skills development and talent attractiveness (S1-2) 4.3.1.6.4 Channels for own workers to raise concerns – Training & skills development and talent attractiveness (S1-3) 4.3.1.7.3 Processes in place to engage with own workers and workers' representatives – Working rights and human rights (S1-2) 4.3.1.7.4 Channels for own workers to raise concerns – Working rights and human rights (S1-3) 4.3.2.1.1 Interest and views of stakeholders (ESRS2 SBM-2) 4.3.2.2.2 Engagement process with workers in the value chain (S2-2) 4.3.3.1.1 Interest and views of stakeholders (ESRS2 SBM-2) 4.3.3.2.2 Engagement process – Noise management (S3-2) 4.3.4.2.1 Interest and views of stakeholders (ESRS2 SBM-2) 4.3.4.3.2 Information and assistance to passengers for cancellations and delays (EU261) 4.3.4.3.3 Access to services for passengers with disabilities 4.3.4.3.4 Data privacy and security 4.3.4.4.2 Policies – Safety and security of passengers (S4-1)

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
c) Identifying and assessing adverse impacts	<div>4.1.3.5 Risk management and internal controls over sustainability reporting (GOV-5)</div> <div>4.1.4.1 Process to identify and assess material impacts, risks and opportunities (IRO-1)</div> <div>4.2.1.3.1 Transition plan for climate change mitigation (E1-1)</div> <div>4.2.2.2.1 Policies – Air pollution (E2-1)</div> <div>4.2.3.2.1 Policies – Waste management and circularity (E5-1)</div> <div>4.3.1.3.2 Policies – Social dialogue (S1-1)</div> <div>4.3.1.4.2 Policies – Working conditions (S1-1)</div> <div>4.3.1.5.2 Policies – Diversity, Equity and Inclusion (S1-1)</div> <div>4.3.1.6.2 Policies – Training & skills development and talent attractiveness (S1-1)</div> <div>4.3.1.7.2 Policies – Working rights and human rights (S1-1)</div> <div>4.3.2.2.1 Policies – Value chain workers (S2-1)</div> <div>4.3.2.2.3 Processes to remediate negative impacts – Workers in the value chain (S2-3)</div> <div>4.3.3.2.1 Policies – Noise management (S3-1)</div> <div>4.3.3.2.3 Processes to remediate negative impacts – Noise management (S3-3)</div> <div>4.3.4.3.2.2 Engagement process - Information and assistance to passengers for cancellations and delays (S4-2)</div> <div>4.3.4.3.3.3 Processes to remediate negative impacts - Accessibility of services for passengers with disabilities</div> <div>4.3.4.3.4.3 Processes to remediate negative impacts - Data privacy and security (S4-3)</div> <div>4.3.4.4.4 Processes to remediate negative impacts - Safety and security of passengers(S4-3)</div> <div>4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4)</div> <div>4.4.1.4 Prevention of anti-competitive practices</div> <div>4.4.1.5 Compliance with embargoes, trade sanctions and export controls legislation</div> <div>4.4.1.6 Personal Data Protection</div> <div>4.4.1.7 Tax strategy</div>

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
d) Taking actions to address those adverse impacts	4.2.1.3.5 Actions and resources – Climate change policies (E1-3) 4.2.2.2.3 Actions and resources – Air pollution (E2-2) 4.2.3.2.3 Actions and resources – Waste management and circularity (E5-2) 4.3.1.3.6 Action plans in place or planned – Social dialogue (S1-4) 4.3.1.4.6 Action plans in place or planned – Working conditions (S1-4) 4.3.1.5.6 Action plans in place or planned – Diversity, Equity and Inclusion (S1-4) 4.3.1.6.6 Action plans in place or planned – Training & skills development and talent attractiveness (S1-4) 4.3.1.7.6 Action plans in place or planned – Working rights and human rights (S1-4) 4.3.2.2.5 Action plans in place or planned – Workers in the value chain (S2-4) 4.3.3.2.5 Action plans in place or planned – Noise management (S3-4) 4.3.4.3.2.5 Actions plans in place or planned - Information and assistance to consumers for cancellations and delays (S4-4) 4.3.4.3.3.5 Actions plans in place or planned - Access of services for passengers with disabilities (S4-4) 4.3.4.3.4.5 Actions plans in place or planned - Data privacy and security (S4-4) 4.3.4.4.6 Actions plans in place or planned - Safety and security of passengers (S4-4) 4.4.1.4 Prevention of anti-competitive practices 4.4.1.5 Compliance with embargoes, trade sanctions and export controls legislation 4.4.1.6 Personal Data Protection 4.4.1.7 Tax strategy
e) Tracking the effectiveness of these efforts and communicating	4.2.1.3.4 Targets - Climate change mitigation and adaptation (E1-4) 4.2.1.4 Metrics - Climate change (E1-5, E1-6, E1-7, E1-8) 4.2.2.2.2 Targets - Air pollution (E2-3) 4.2.2.3 Metrics - Air Pollution (E2-4) 4.2.3.2.2 Targets - Waste management and circularity (E5-3) 4.2.3.3 Metrics - Waste management and circularity (E5-5) 4.3.1.1 Characteristics of Air France-KLM employees (S1-6) 4.3.1.3.5 Targets – Social dialogue (S1-5) 4.3.1.3.7 Metrics – Social dialogue (S1-8) 4.3.1.4.5 Targets – Working conditions (S1-5) 4.3.1.4.7 Metrics – Working conditions (S1-10, S1-16, S1-14) 4.3.1.5.5 Targets – Diversity, Equity and Inclusion (S1-5) 4.3.1.5.7 Metrics – Diversity, Equity and Inclusion (S1-9, S1-12, S1-16) 4.3.1.6.5 Targets – Training & skills development and talent attractiveness (S1-5) 4.3.1.6.7 Metrics – Training and skills development (S1-13) 4.3.1.7.5 Targets – Working rights and human rights for own workforce (S1-5) 4.3.1.7.7 Metrics – Working rights and human rights impacts (S1-17) 4.3.2.2.4 Targets – Workers in the value chain (S2-5) 4.3.2.3 Entity-specific information 4.3.3.2.4 Targets – Noise management (S3-5) 4.3.3.3 Metrics – Noise management 4.3.4.3.2.4 Targets - information and assistance to consumers for cancellations and delays (S4-5) 4.3.4.3.3.4 Targets - Access of services for passengers with disabilities (S4-5) 4.3.4.3.4.4 Targets - Data privacy and security (S4-5) 4.3.4.4.5 Targets – Safety and security of passengers (S4-5) 4.3.4.5 Metrics – Net Promoter Score (NPS) 4.4.1.3.1 Metrics – Prevention of corruption and bribery (G1-4) 4.4.2.1 Metrics – Political influence and lobbying activities (G1-5)—

4.1.3.5 Risk management and internal controls over sustainability reporting (GOV-5)

The overview of risk management and internal control systems implemented for the Air France KLM Group sustainability reporting are described in the in Chapter 3 of the 2024 Universal Registration Document sections “3.2 Enterprise risk management” and 3.3.2 “Fundamental components of internal control established within the Group” in the paragraph “Evaluation and monitoring of Internal Control”.

The scope, main features, and components of these processes, are detailed in the risk assessment approach

and prioritization methodology. Key risks and their mitigation strategies are identified, and an explanation of how these findings are integrated into the Group's internal functions and processes is given.

Additionally, the periodic reporting of the findings related to sustainability to the Air France-KLM administrative, management, and supervisory bodies is detailed, underscoring the Group's commitment to transparency and continuous improvement.

4.1.4 Impacts, risks and opportunity management

4.1.4.1 Process to identify and assess material impacts, risks and opportunities (IRO-1)

Air France-KLM has regularly conducted materiality analyses in the past, allowing the Group to assess which topics were considered key priorities by its internal and external stakeholders.

Description of the processes for identifying and rating IROs

With the introduction of the European Sustainability Reporting Standards (ESRS) applicable as of January 1, 2024, the Group has conducted a detailed analysis with the help of an advisory firm specialized in sustainability reporting. This analysis aimed to identify its impacts on people and the environment (the impact materiality), and the risks and opportunities that may arise from these impacts (the financial materiality).

This double materiality assessment was carried out following a five-step process with the goal of prioritizing Air France-KLM material impacts, risks and opportunities (IROs) that set the boundaries of its sustainability reporting:

- Step 1: Screening the relevant sustainability matters;
- Step 2: Identification of impacts, risks and opportunities;
- Step 3: Scoring each impact, risk and opportunity;
- Step 4: Engagement with stakeholders to challenge the materiality assessment;
- Step 5: Review and validation of the material impacts, risks and opportunities by the management and the governing bodies.

Step 1: Screening the relevant sustainability matters

Guided by the list of sustainability matters covered in the topical ESRS (ESRS 1, Appendix 1, AR 16), and based on its pre-existing materiality assessment, sectorial guidelines and peer benchmarks, the Group has identified the relevant sustainability matters for its activities and its sector.

In particular, the Group has paid specific attention to covering all its activities and geographies in its materiality assessment, including any sector-specific matters and taking into account the dependencies from its business relationships with the main actors in its upstream and downstream value chain.

Step 2: Identification of impacts, risks and opportunities

For each sustainability matter identified as an outcome of Step 1, the Group has defined the relevant impacts, risks and opportunities from its own activities and its upstream and downstream value chain. This was done following a cross-functional approach through interviews with internal subject-matter experts from various departments, as well as benchmarking with peers and sectorial guidelines.

Each impact identified has been classified as actual or potential and as negative or positive.

Step 3: Scoring each impact, risk and opportunity

A scoring of the impact materiality on people and the environment, as well as the financial materiality arising from risks and opportunities, has been performed by internal experts, in accordance with the existing Risk Management framework in place within Air France-KLM.

Each Impact, Risk and Opportunity has been scored on a gross scale, based on the criteria as specified below:

- impact materiality: to evaluate how severe or positive the impacts are or could be on people and/or the environment, the scale (from marginal to major), scope (from not widespread to global), for the negative impacts, irremediability (from remediable to irremediable) and for the potential impacts, likelihood (from rare to almost certain) have been scored. In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood;
- financial materiality: to evaluate the financial effects on the business over a short (up to 18 months, equivalent to the operational risk horizon), medium (up to five years, corresponding to the strategic risk time horizon) or long-term period (beyond five years), the magnitude (from insignificant to major) and the likelihood (from rare to almost certain) have been scored.

Step 4: Engagement with stakeholders to challenge the materiality assessment

Once each IRO was identified and scored, Air France-KLM engaged with internal and external stakeholders to discuss the preliminary results and collect feedback to adjust the pre-materiality assessment.

More than 50 interviews in total were conducted with representatives from the Group and its airlines (ranging from junior professionals to senior management), experts from the air transport industry (including key suppliers and partners), and other external stakeholders (including public authorities, investors, customer panels, research institutions, NGOs, etc.).

Following the interviews, Air France-KLM reconsidered its materiality assessment if a relevant number of stakeholders suggested that the materiality of a certain topic could be positively or negatively adjusted.

Step 5: Review and validation of the material impacts, risks and opportunities by the management and the governance

As a result of the stakeholder consultations and a thorough review by the internal experts, based on their best understanding of the available guidance on the interpretation of the ESRS requirements, the final list of sustainability matters for Air France-KLM and the

associated material impacts, risks and opportunities was established. The results were discussed and approved by the Group Executive Committee, and presented and challenged in a joint workshop with the Audit and the Sustainable Development & Compliance Committees, before being endorsed by the Board of Directors of Air France-KLM.

Decision-making process, internal control procedures and risk management process

Following the implementation of the ESRS, the pre-existing extra-financial risks identified through the risk management process in place within Air France-KLM will be further aligned and combined with the IROs. Consequently, the IROs will be further integrated into the decision-making process around the Group's sustainable development strategy and monitored through the Internal audit and Internal control processes in place.

Future revision of the materiality assessment

Air France-KLM is committed to updating its materiality assessment on a regular basis and specifically in case specific circumstances or a significant change in its business model occur.

4.1.4.2 Disclosure Requirements in ESRS covered by the sustainability statement (IRO-2)

Please refer to the detailed information provided in section 4.5 "Appendix Mapping of ESRS Data Points with the Requirements of EU Legislative Acts (IRO-2)".

4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3)

The table below outlines the key disclosure requirements under ESRS 2, covering material impacts, risks, and opportunities. It provides a structured overview of the topics identified through the double materiality assessment, along with their scope, associated risks and opportunities, and relevant time horizons.

ESRS standard	Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
E1 – Climate change	Climate change mitigation	N: CO ₂ emissions generated by air transport activities and the upstream value chain (fuel production) contributes to climate change	OO/VC	R: Transition risk leading to financial risks as a result of fleet renewal, use of alternative fuels, CO ₂ pricing or compensation mechanisms and activity restriction	short/medium/long
	Climate change adaptation		OO/VC	R: Physical risks leading to financial risks as a result of activity disruptions, flight procedures and routes adaptation, in some areas exposed to climate hazards	long
	Energy (Fuel, SAF)	N: High level consumption of fuel, contributing to the reduction of fossil stock N: Usage of SAF can conflict with other usage as feedstocks	OO/VC	R: Financial risks as a result of fuel dependency, sensitivity to price fluctuations, forecasted scarcity of fossil fuels and SAF due to sectorial ambitions in terms of emissions reduction	Medium/long
E2 – Pollution	Air quality management	N: Emission of air pollutants related to air transport activities (NO _x , SO ₂)	OO	R: Financial risks due to activity constraints or new regulations related to air pollution	medium/long
E5 – Circular economy	Waste management & circularity	N: Waste generated in operations related to air transport and maintenance activities	OO/VC	R: Financial risk due to regulations related to waste treatment O: Waste reduction can lead to a decrease in costs	short/medium

ESRS standard	Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
S1 – Own workforce	Social dialogue with Air France-KLM staff	P: Social dialogue through workers' representatives has a positive impact on working conditions for Air France-KLM workers	OO	R: Financial risks as a result of negotiations on labor agreements, social conflicts or strikes	short/medium
	Working conditions for Air France-KLM staff	P: Well-positioned and protective employment conditions positively impact Air France-KLM workers' living conditions	OO	R: Financial risks as a result of low employee satisfaction leading to increase in staff costs, absenteeism or turnover	short/medium
		N: Air France-KLM workers work-life balance could be negatively impacted by working hours outside regular business hours (staggered shifts)			
		N: Air France-KLM workers could be exposed to physical harm in the workplace			
	Diversity, Equity & Inclusion	N: Air France-KLM workers could be impacted by discrimination of all forms in hiring and career development	OO	R: Financial risks as a result of deterioration in the company's reputation due to discrimination and increase in staff costs O: Financial opportunity as a result of diversity and inclusion leading to innovation and diverse management practices	short/medium/long
	Training & skills development and talent attractiveness	P: Employability of Air France-KLM workers could be impacted by training and continuous development of their skills	OO	R: Financial risks as a result of lack of skills development and attractiveness leading to difficulties in finding relevant skills or shortage of people with specific qualifications O: Financial opportunity as a result of attractiveness and skilled employees leading to more efficiency	short/medium
	Working rights & human rights	N: Working rights and human rights in the Air France-KLM workplace could be harmed by management practices	OO	R: Financial risk as a result of a damage to Air France-KLM reputation in case of failure to respect human rights and working rights in the workplace	short/medium

ESRS standard	Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
S2 – Workers in the value chain	Working conditions & social dialogue for value chain staff	N: Workers in the Air France-KLM value chain could be negatively impacted by working conditions & social dialogue (including working & human rights)	VC	R: Financial risk as a result of disruptions in the supply chain due to conflictual working conditions & social dialogue and damages to Group's reputation	short/medium
S3 – Affected communities	Noise management	N: Noise hindrance of Air France-KLM activities can have negative impact on living conditions of communities close to Air France-KLM hubs	OO	R: Financial risk as a result of noise regulations leading to activity constraints (loss of airport slots) or increase in costs	short/medium
S4 – Consumers and end-users	Customer engagement	N: Passengers can be impacted by lack of transparent information and assistance in case of flight disruptions or lack of accessibility of services (passengers with disabilities)	OO	O: Gain of reputation and customer loyalty for Air France-KLM by providing transparent information and assistance to its passengers	short/medium
		N: Passengers' right to privacy can be impacted in the event of personal data misuse or leakage	OO/VC	R: Financial risk as a result of damages to Air France-KLM reputation or fines related to lack of assistance, accessibility or data leakage	short/medium
	Operational safety & security of air transportation	N: Passengers and goods transported can be harmed in the event of incidents or accidents	OO	R: Financial risk as a result of potential damages to people and goods and Air France-KLM reputation in the event of incidents or accidents	short/medium
G1 – Business conduct	Business conduct, anti-corruption, protection of whistleblowers	N: Unethical practices can arise within Air France-KLM activities and its value chain	OO/VC	R: Financial risk as a result of damages to AFKL reputation and legal proceedings related to non-compliance with regulations on business ethics	short/medium
	Political engagement & lobbying activities, economic & social value of air transportation	P: Positive contribution to social welfare and economic development at both local and global level, through direct and indirect economic activities and employment opportunities	OO/VC	O: Air France-KLM lobbying activities to promote the importance of air transport industry could contribute to fair competition and level playing field to secure AFKL market position or seize business opportunities	short/medium/long

4.2 ENVIRONMENTAL INFORMATION

4.2.1 Climate change (ESRS EI)

4.2.1.1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities (ESRS2 IRO-1)

Please refer to the detailed information provided in section 4.1.4.1 “Process to identify and assess material impacts, risks and opportunities (IRO-1)”.

4.2.1.2 Climate governance (ESRS2 GOV-3)

For environmental governance (including climate change), please refer to the 2024 Universal Registration Document Chapter 2 “Corporate governance report” and sections 4.1.3.1 “The role of the administrative, management and supervisory bodies (GOV-1)” and 4.1.3.2 “Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies (GOV-2)”.

For disclosure requirement related to ESRS2 GOV-3 Integration of sustainability performance in incentive schemes, please refer to Chapter 2 of the 2024 Universal Registration Document, sections 2.5 “Compensation of corporate officers” and 4.1.3.3 “Objectives and variable remuneration aligned with ESG (GOV-3)”.

4.2.1.3 Climate strategy (EI-1, ESRS2 SBM-3)

The table below presents the material impacts, risk and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Climate change mitigation	N: CO ₂ emissions generated by air transport activities and the upstream value chain (fuel production) contributes to climate change	OO/VC	R: Transition risk leading to financial risks as a result of fleet renewal, use of alternative fuels, CO ₂ pricing or compensation mechanisms and activity restriction	short/medium/long
Climate change adaptation		OO/VC	R: Physical risks leading to financial risks as a result of activity disruptions, flight procedures and routes adaptation, in some areas exposed to climate hazards	long
Energy (Fuel, SAF)	<div>N: High level consumption of fuel, contributing to the reduction of fossil stock</div> <div>N: Usage of SAF can conflict with other usage as feedstocks</div>	OO/VC	R: Financial risks as a result of fuel dependency, sensitivity to price fluctuations, forecasted scarcity of fossil fuels and SAF due to sectorial ambitions in terms of emissions reduction	Medium/long

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 “Process to identify and assess material impacts, risks and opportunities (IRO-1)”.

4.2.1.3.1 Transition plan for climate change mitigation (E1-1)

Air France-KLM's ambition is to reduce its greenhouse gas (GHG) emissions and contribute to limiting the increase in the global average temperature to 1.5°C above pre-industrial levels, in line with the Paris Agreement. This ambition is aligned with the International Civil Aviation Association's (ICAO) long-term global aspirational goal of net-zero carbon emissions by 2050. To achieve this ambition, the Group has developed a Transition Plan for climate mitigation and adaptation.

As of 2024, Air France-KLM's scope 1 emissions represent 70% of total GHG emissions, scope 2 emissions represent 0.02% and scope 3 emissions represent 30% of total GHG emissions - with around 13% arising from non-jet fuel related activities. In order to efficiently use the Group's resources, Air France-KLM's Transition Plan is focused on reducing its scope 1 emissions as well as its scope 3.3 (fuel- and energy-related emissions).

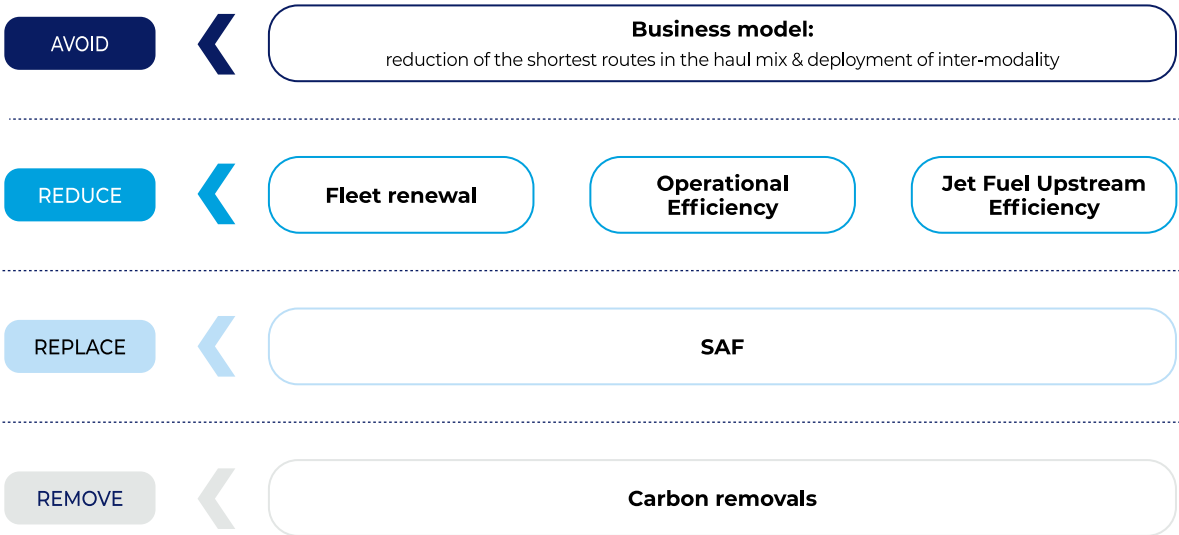
The Transition Plan is applicable to the airline business units of Air France-KLM, namely Air France, KLM Royal Dutch Airlines, Transavia France, Transavia Netherlands, and Air France KLM Martinair Cargo, including their

upstream and downstream value chains. The Transition Plan was approved by the Air France-KLM Board of Directors. It is embedded in Air France-KLM's five-year Strategic Business Plan and is reviewed annually. Moreover, the Transition Plan is regularly monitored through a specific body called the Decarbonization Committee. See section 4.1.3.1 "The role of the administrative, management and supervisory bodies (GOV-1)" for more details on these governance bodies.

The Transition Plan is divided into two axes to be progressively implemented: A. *Flight operations* and B. *Ground operations*.

A. Flight operations

The Flight Operations axis is composed of six levers aimed at *avoiding* emissions by decreasing the shortest routes in the Group haul mix while deploying intermodality alternatives; *reducing* emissions by fleet renewal, operational efficiency measures and jet fuel upstream efficiency; progressively *replacing* fossil fuel by alternatives with lower GHG emissions and finally *removing* CO₂ through offsetting for residual emissions that cannot be avoided or reduced.



- 1) **Business model:** structural reduction of the shortest routes in the Group haul mix (e.g., reducing the offer on the French domestic market) while, thanks to strategic partnerships with railway operators, offering customers intermodality products to increase the possibilities of combining lower GHG emissions through alternative modes of transportation.
- 2) **Fleet renewal:** investing in fleet renewal with the latest technology aircraft that consume up to 25% less fuel than an equivalent-sized, previous-generation aircraft, based on the aircraft manufacturers' information. For fleet renewal, a yearly average of €3.000-3.500 million up to 2030 will be needed. This is

- a gross investment amount and includes the right-of-use assets of new operating leases, calculated before sale and leaseback operations.
- 3) **Operational efficiency measures:** putting in place programs for CO₂ reduction across all the divisions. The focus areas of the programs are related to flight trajectory optimization, fuel policy, ecopiloting, aircraft performance and onboard weight reduction.
- 4) **Jet Fuel Upstream Efficiency:** working in close cooperation with energy producers on jet fuel production efficiency (scope 3).

- 5) SAF:** progressively replacing fossil fuel by SAF which refers to an alternative to regular aviation fuel (fossil-based kerosene) and includes synthetic aviation fuels from renewable hydrogen and captured carbon, advanced and other aviation biofuels, as well as recycled carbon aviation fuels. The Group adheres to a strict sourcing policy for voluntary SAF, aimed at purchasing second generation SAF that do not compete with the human or animal food chain, are RSB or ISCC+ certified, are not produced from palm oil, and reduce CO₂ emissions by at least 65% over their entire lifecycle – from production to combustion – compared to fossil kerosene⁽¹⁾. For SAF mandates, the Group complies with local regulations.
- 6) Carbon removals:** for residual emissions that cannot be avoided or reduced and once all other levers have been deployed to reduce the Group's emissions, yield benefits from high quality carbon offset such as projects that extract CO₂ from the atmosphere and store it securely as well as the development of natural carbon sinks for residual emissions. This lever will not contribute to the 2030 target.

A quantitative summary of the contribution of each lever under consideration to achieve the Air France-KLM Group's decarbonization ambition is presented in section 4.2.1.3.4 "Targets – Climate change mitigation and adaptation (EI-4)".

B. Ground operations

This entails reducing emissions from ground operations by using electrically powered ground equipment and launching a program of energy efficiency measures to reduce building energy consumption – including investment in electrically powered heating systems (heat exchange systems) for the Group buildings whenever possible.

The airline sector's pathway to Net Zero

The airline sector's pathway to Net Zero will require robust collaboration and substantial investment from all stakeholders (airlines, aircraft manufacturers, energy producers, etc.) as well as continuous advancements in technology and the adoption of more sustainable practices throughout the entire value chain. As a result, the success of Air France-KLM's Transition Plan is dependent on factors that are beyond the Group's direct control. Addressing these factors will require adequate public policies and incentives, dedicated research and development, transformation of some of the world's largest industries, and significant capital allocation across the public and private sectors.

Additional information on the Transition Plan

Potential locked-in GHG emissions

Potential locked-in GHG emissions are mostly related to aircraft emissions since the Group emissions are approximately 90% jet fuel related. The mitigation strategy for potential locked-in GHG emissions is part of the Group Transition Plan and is reflected in three of the decarbonization levers: fleet renewal, operational efficiency measures and SAF incorporation. Through fleet renewal, new-generation aircraft that consume less fuel (and therefore emit fewer greenhouse gases) are incorporated in the fleet and replace old planes. Operational efficiency measures decrease the consumption of fuel and therefore the emission of greenhouse gases. SAF volumes used by the Group can decrease fuel-related CO₂ emissions on a life cycle basis by at least 65% compared to the use of conventional jet fuel using the same type of aircraft. In 2024, the Group used 1.25% of SAF on its flights.

EU Paris-aligned Benchmarks

The Air France-KLM Group is not excluded from the EU Paris-aligned Benchmarks⁽²⁾.

4.2.1.3.2 Material impacts, risks and interaction with strategy and business model (ESRS2 SBM-3)

The aviation sector, representing 2-3% of global GHG emissions⁽³⁾, is one of the most challenging sectors of the global economy to decarbonize. Air France-KLM's double materiality analysis confirmed that the contribution to climate change mitigation is a material topic for the Group, with a broad consensus on its importance. For the detailed process related to the overall assessment of material impacts, risks and opportunities, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

Air France-KLM is aware of the physical and transition risks associated with climate change which constitute a major concern. Failure to anticipate and adapt to these risks could have negative consequences for the company's financial performance, reputation and future operations.

Consequently, the assessment of the climate change resilience of the Group's business model and its strategy is an integral part of the company's risk management strategy. It is monitored at the highest level of the Group and included in the Group's reviews of its five-year Strategic Business Plan.

⁽¹⁾ The quality of SAF purchased is audited by external party auditors.

⁽²⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020R1818>

⁽³⁾ Source: <https://www.ipcc.ch/site/assets/uploads/2018/03/av-en-1.pdf>

In 2023, Air France-KLM conducted a climate risk assessment to gain a better understanding of the risks associated with climate change and their impact on its own operations. In 2024, this assessment was updated to include the Company's upstream and downstream value chain. The assessment followed the recommendations of the Task Force on Climate-related Financial Disclosures

(TCFD) and focused on identifying the physical and transition risks Air France-KLM will be facing and on assessing their impacts on Group activities over short-, mid- and long-term time horizons (2030, 2040 and 2050 for physical risks and 2025, 2030 and 2050 for transition risks, respectively).

To conduct the climate risk assessment, Air France-KLM combined three of the IPCC⁽¹⁾ Representative Concentration Pathways (RCPs) scenarios to analyze the physical risks and three of the IPCC's shared Socio-Economic Pathways (SSPs) to analyze the transition risks. As a result, the following scenarios were used for the assessment:

Climate Scenario	Representative Concentration Pathways (RCP)	Socio-Economic Pathway (SSP)
Orderly	RCP 2.6 – 1.5°C	SSP 1 Sustainability
Disorderly	RCP 4.5 – 2 to 2.5°C	SSP 2 Middle of the Road
Hot-House World	RCP 8.5 – 3.6 to 4.4°C	SSP 5 Fossil-Fueled Development

The choice of scenario was made in order to have the full range of possibilities represented: one scenario in which temperature increase is kept to around 1.5°C (Paris agreement), one in which temperature increases to about 4°C (most extreme scenario) and a third scenario falling in between these two scenarios. The combination of three reference scenarios with different levels of physical and transition risks allows the Group to capture a greater number of uncertain futures. For each scenario, macroeconomic trends, energy consumption and mix, and technology deployment assumptions were considered.

The assessment of the Group's own operations included the physical risk exposure of 61 sites (top 50 Group destinations, an additional seven airports and four Group IT sites) to 15 climate hazards and the transition risk evaluation under each scenario. The value chain assessment included the exposure of seven upstream activities to physical and transition risks while the downstream assessment included the exposure of 27 destinations to physical risk, exploring geographical regions worldwide that are projected to experience greater impacts.

⁽¹⁾ The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body for assessing the science related to climate change. For more information on IPCC's scenarios, see: <https://www.ipcc.ch/report/emissions-scenarios/>

The climate risk assessment led to the establishment of the following risk universe:

PHYSICAL RISKS		TRANSITION RISKS		
ACUTE		POLICY AND LEGAL		
<ul style="list-style-type: none"> Degradation/destruction of assets (airports, offices, warehouses, aircraft) due to more frequent and severe extreme weather events: <ul style="list-style-type: none"> Flooding (tidal, fluvial, pluvial) Cyclones Wildfires Disruption of activity and increase in delays/ rerouting due to more frequent storms and turbulence Degradation of working conditions for on-ground operations due to extreme temperatures and heatwaves Interruption of operations due to extreme temperatures causing heat buckling on runways Disruption of activity and increase in delays/ rerouting due to increased snowfall and more frequent snow storms Disruption of aircraft supply activities 		<div>General</div> <ul style="list-style-type: none"> Increased pricing of GHG emissions Enhanced emission-reporting obligations (EU-ETS, CORSIA) Limits on license to operate and ban on short-haul flights <div>SAF-related</div> <ul style="list-style-type: none"> New carbon taxes or SAF mandates could increase the price of fuel Insufficient support from governments regarding SAF and synthetic fuel deployment <div>Aircraft-related</div> <ul style="list-style-type: none"> Delayed regulations could slow the pace of development of new technologies (electric planes) Insufficient support regarding investments in fleet renewal 		
CHRONIC		REPUTATIONAL		
<ul style="list-style-type: none"> Degradation of infrastructure (airports, offices, etc.) due to rising sea levels Restrictions on aircraft take-off weight due to increasing temperatures Disruption of take-off and landing schedule due to loss of visibility linked with changing humidity patterns Increased fuel consumption due to changing wind patterns Disruption of activity and increase in delays/ rerouting due to more frequent icing risk Increase in air conditioning usage due to sustained rise in temperatures Low flows in the canals and acute climate events are the main drivers for a disruption in fuel and SAF supply Certain destinations attractiveness may be impacted by very high risks of water stress 		<div>General</div> <ul style="list-style-type: none"> Increased pressure from stakeholders and investors to achieve sustainability goals in a shorter period of time Increased exposure to greenwashing claims Increase in passenger injury risk <div>SAF-related</div> <ul style="list-style-type: none"> Exposure to litigation linked with low credibility of SAF for decarbonization or use of feedstocks causing adverse environmental outcomes <div>Aircraft-related</div> <ul style="list-style-type: none"> Limited social license to consume renewable energy if not demonstrably additional 		
		MARKET		
		<div>General</div> <ul style="list-style-type: none"> Lower demand due to modal shifts and sector stigmatization Decrease in demand for short haul flights due to increased remote working Increased cost of raw materials <div>SAF-related</div> <ul style="list-style-type: none"> Inability to secure sufficient volumes and/or competitive prices for SAF to meet public targets Inability to secure synthetic fuels volumes <div>Aircraft-related</div> <ul style="list-style-type: none"> Inability to access enough energy due to limited green hydrogen availability Inability to secure enough electric planes 		
		TECHNOLOGY		
		<div>General</div> <ul style="list-style-type: none"> Substitution of existing products and services with lower emissions options Unsuccessful investment in new technologies Costs to transition to lower emissions technology <div>SAF-related</div> <ul style="list-style-type: none"> Power-to-Liquid SAF and other SAF technology pathways could not deliver expected emissions reductions Synthetic fuels technology pathway could not scale as expected <div>Aircraft-related</div> <ul style="list-style-type: none"> Network limitations due to lack of required infrastructure Limited talent availability for maintenance and operation of next generation aircraft 		

While the climate risk assessment has clearly identified physical and transition risks potentially influencing the Company's ability to manage and develop its activities, the Group has also identified initiatives to capitalize on, such as:

- contribute to the development of lower-carbon energies by supporting industrial production of alternative aviation fuels;
- put in place strategic partnerships to develop innovative lower-emission solutions on the ground and in the air;
- further develop the equity of the Group brands and gain market share by responding to the expectations of individual and corporate customers;
- strengthen the Group's ability to attract and retain key talents;

- modernize the Group's fleet;
- reduce financing costs.

In order to mitigate the risks of climate change and build on the initiatives identified, Air France-KLM has reviewed its strategy and is adapting its business model to limit its impact on climate change and adapt to the different climate risks identified. As a result, the Group has elaborated a Transition Plan (section 4.2.1.3.1 "Transition plan for climate change mitigation (E1-1)") focusing on its decarbonization. By implementing its Transition Plan, Air France-KLM aims to manage and reduce its GHG emissions effectively, ensuring that the Group stays on track to achieve its GHG emission reduction targets and mitigate climate-related risks.

4.2.1.3.3 Policies – Climate change mitigation and adaptation (E1-2)

Air France-KLM has developed a climate policy that aims to address the identified material impacts and risks related to climate change mitigation and adaptation. The Group's Transition Plan (see section 4.2.1.3.1) is an integral part of this policy. The policy further outlines the principles that inform decision making, sets goals for reducing the company's climate-related impacts and proposes levers for a Transition Plan aimed at climate impact mitigation, adaptation and energy efficiency. The policy also defines the responsibilities within the Group for the implementation of the policy.

The climate policy is applicable to the airline business units of Air France-KLM, namely Air France, KLM Royal Dutch Airlines, Transavia France, Transavia Netherlands, and Air France KLM Martinair Cargo, including their upstream and downstream value chains.

For its governance, please refer to section 4.1.3 "Governance" which is more specifically elaborated on in section 4.1.3.2 "Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)". The policy is available internally for all the Group employees.

4.2.1.3.4 Targets – Climate change mitigation and adaptation (E1-4)

To monitor the progress towards the achievement of the Air France-KLM Transition Plan, the following mid-term target has been set in 2022, based on the conditions prevailing in 2022 for the industry and forecast for the 2030 horizon:

- a reduction of 30% in well-to-wake scopes 1 and 3 jet fuel GHG emissions per revenue ton kilometer (RTK) by 2030 from a 2019 baseline.
- baseline for Air France-KLM in 2019: 957 gCO₂e/RTK.

In view of the impact of the Covid-19 crisis on the aviation industry, the baseline year used is 2019.

Air France-KLM's main target to reduce GHG emission intensity (gCO₂e/RTK) by 30% in 2030 covers "well-to-wake" ("WTW") emissions, which are determined by accounting scope 1 and scope 3 emissions generated during jet fuel production (production, transportation and distribution) by the amount of revenue generating freight & passengers transported over a distance. This covers 87% of Air France-KLM GHG emissions in 2024.

The target excludes other scope 3, non-jet-fuel-related, emissions (13% of the Group's emissions), as well as scope 2 (0.02% of the Group's emissions), as per the SBTi target definition.

Air France-KLM had its GHG emission reduction target for 2030 verified and validated by the independent reference organization Science Based Targets initiative (SBTi) in November 2022 as being in line with a Well Below 2.0°C scenario. SBTi released a new technical report in 2023 detailing an interim 1.5°C pathway for aviation companies. The interim pathway is following the same sectorial

trajectory as Well Below 2.0°C during the 2023-2031 period and therefore also covers the Air France-KLM Group's target for 2030.

The table below indicates the relative importance of each lever of the Transition Plan in reaching this target:

	Business model	Operational efficiency	Fleet renewal	Jet fuel upstream efficiency	SAF
2030	1-2%	12-15%	40-50%	1-2%	35-45%

The Group's Transition Plan and its associated target set in 2022, in particular as regards the GHG emissions reduction target set for 2030, have been set up based on the following different critical assumptions and conditions that are necessary for its success:

- SAF:
 - enough supply available in the market at the expected price (including expected new pathway certifications),
 - same SAF eligibility standards used worldwide creating a level playing field,
 - incorporation rates realized as planned depending on strong customer demand;
- EU-ETS costs remaining stable;
- no further issues in the supply chain that could lead to significant delays in new-generation aircraft influx;
- no major lasting geopolitical situation disrupting the Group operations;
- more efficient Air Traffic Control operations supported by the Single European Sky initiative;
- level playing field with the same market conditions for SAF subsidies/CO₂ taxation all over the world and especially in Europe to avoid competitive distortion.

These assumptions are based on the conditions prevailing in 2022 for the industry and forecast for the 2030 horizon. Meanwhile, since 2022, changes in the geopolitical, regulatory, environmental and economic landscapes have been occurring and represent headwinds potentially having an impact on the 2030 trajectory.

In association with its target to reduce GHG emissions in intensity by 30% (in gCO₂e/RTK) in 2030 compared to 2019 (scopes 1 and 3 jet fuel) and in the absence of unforeseen events disrupting the implementation of the Group's Transition Plan, Air France-KLM estimates that its GHG emissions (scopes 1 and 3 jet fuel) in absolute value in 2030 should remain below its 2019 level (36 million tons of CO₂).

For its sustainability reporting over the 2024 year, Air France-KLM has reviewed its methodology to calculate its GHG emissions per RTK to further align with the SBTi standard recommendation that requires non-commercial flights to be included, non-revenue passengers to be excluded and the use of a standard weight per passenger. Figures for 2019 (initial baseline of 948 gCO₂e/RTK) and 2023 (927 gCO₂e/RTK as published in the URD 2023) were restated according to this updated methodology.

In 2024, the GHG intensity performance was 928 gCO₂eq/RTK, which represents a 3.0% decrease compared to 2019 and a decrease of 0.9% compared to 2023.

Air France-KLM and its airlines faced some headwinds to its GHG intensity progression in 2024 due to unforeseen and external events beyond the Group's control, including delays in the fleet renewal plan due to constraints in the supply chain; engine issues with part of its new-generation aircraft fleet (such as several Airbus A220's) not allowing the Group to operate them to their maximum capacity; higher fuel consumption due to longer flight times on certain routes caused by various geopolitical circumstances. Several actors in the airline industry are facing these headwinds.

4.2.1.3.5 Actions and resources – Climate change policies (E1-3)

A. Flight operations

1. Business Model

Air France-KLM aims to lower the carbon footprint of its operations and support lower-carbon alternatives to aviation on short distances. In particular, a key part of the Group's strategy is forming stronger partnerships with railway companies. By promoting intermodal transportation, the Group is seeking to replace shorter hub-feeding flights with lower-carbon options. Air France has structurally decreased its operations on its domestic network, coinciding with changing customers behaviors regarding short distance flying.

To achieve this, the Group has partnered with SNCF and Eurostar to offer its customers the possibility of booking their entire journey, including both flights and trains, in a single ticket, with guaranteed connections. This offer connects major markets in France, the Netherlands, UK, and Belgium to the Group's hubs in Paris and Amsterdam. These partnerships offer efficient travel and present passengers with an attractive alternative to short flights. Using the SNCF and Eurostar networks, the Group is reinforcing its sustainability ambition while maintaining high standards of connectivity and convenience for travelers.

Additionally, a new collaboration with CFF/SBB, the Swiss Federal Railways, aims to offer seamless, integrated air and rail travel options. This allows passengers to easily transfer between flights and trains, reducing the need for short-haul flights within Switzerland and the nearby regions.

The Air France "Train+Air" product proposes 41 routes to customers traveling to and from the Paris-Charles de Gaulle and Paris-Orly airports. The customer journey has been totally digital since 2022, with customers able to check in online for their entire journey. Another Air France product is "Air & Rail" which is available on the CDG-Brussels route and includes in particular baggage handling from train to aircraft. The KLM Air&Rail product is available for customers connecting via Amsterdam to or from Brussels and Antwerp Central.

2. Fleet renewal

In line with its fleet renewal strategy, the Air France-KLM Group is continuing to take delivery of new-generation aircraft⁽¹⁾ such as:

- Airbus A350 which consumes 25% less fuel per passenger km and is 40% less noisy than the previous generation aircraft;
- Airbus A320neo aircraft family, which consumes 15% less fuel per passenger km and is 50% less noisy than the previous generation aircraft;
- Airbus A220 which consumes 20% less fuel per passenger km and is 34% less noisy than the previous generation aircraft;
- Embraer 195-E2 which consumes 9% less fuel per flight, emits 31% less CO₂ per passenger km and is 63% less noisy compared to the E-190 that it is replacing.

At the end of 2024, the Group had 27% of its fleet composed of new-generation aircraft. The Group plans to get up to 80% of its fleet with new-generation aircraft by 2030.

The details of the flight equipment orders can be found in the Note 38 to the financial statements.

3. Operational Efficiency Measures

All the airlines within the Air France-KLM Group have put in place programs to improve the Group's energy efficiency and reduce its GHG emissions. Different possible ways of fuel-saving measures have been identified and, when feasible, implemented, subject to strict respect for flight safety.

Weight reduction

The Group recognizes that reducing the weight of the aircraft is a significant factor in reducing CO₂ emissions, as the lighter the aircraft, the less fuel it consumes. To achieve this, the Group airlines have implemented various measures such as reducing the weight of seats, galley and service equipment, minimizing the use of heavy products, adapting potable water volume to actual needs and optimizing the onboard catering. Also, the weight of equipment required to transport payloads is being addressed, with wooden beams to support the cargo being replaced by a lightweight cardboard version and the use of lightweight cargo containers.

Aircraft performance optimization

As part of its fleet renewal, the Group has adopted fuel-efficient engines like the LEAP, P&W 1500, and GENx for its planes. Moreover, an innovative engine wash process allows on-the-gate cleaning, boosting performance and cutting fuel consumption. Collaboration with paint suppliers helps reduce paint weight, enhancing aircraft streamlining and efficiency. Winglet upgrades, such as the Split Scimitar Winglets by Transavia in partnership with GKN Fokker Techniek, also contribute to fuel savings.

⁽¹⁾ The calculations are made based on information made available by aircraft manufacturers. Decreases may vary depending on the specific aircraft it replaces.

The Group airlines are also engaged in aerodynamic studies, including the Flying V project, for further technological advancements, amongst others at the Delft University of Technology (TU Delft).

Route and flight path optimization

Air France-KLM has developed decompression and drift-down procedures to enable shorter routes around airspace closures, reducing the impact of flight disruption. Furthermore, the Group airlines' pilots apply fuel-efficient procedures wherever possible, including Flight Plan precision, speed adjustments, optimized trajectories, and taxiing with one engine shut down.

The Group is also implementing new tools based on artificial intelligence in partnership with innovative start-ups. Air France and Transavia France have joined forces with OpenAirlines to deploy the SkyBreathe tool for the precise tracking of fuel-efficiency practices. Another example is the partnership with OptiFlight Solution by SITA, which uses flight data and machine learning to determine the most-fuel-economical scenarios for all phases of a flight. In 2024, KLM Cityhopper implemented the OptiClimb system, a cutting-edge technology designed to optimize the take-off path of aircraft. This innovative system calculates the most efficient climb trajectory.

The Group's airlines work closely with French and Dutch Air Traffic Control to optimize their descents and take-offs for greater efficiency. Air France is closely associated with the Green Operation Task Force led by French Air Traffic Control, while KLM is involved in the Dutch Airspace Redesign Program (DARP) discussions, which enable the use of more efficient routes in the European and Dutch airspace. This redesign is expected to be completed in 2030, which should lead to optimized routing, reduced fuel consumption and noise pollution.

Air France-KLM is also participating in the Single European Sky ATM (Air Traffic Management) Research and Development (SESAR) program. This 10-year program (2021-2031) aims to deliver technological solutions to transform air traffic management in Europe and reduce fuel burn to contribute to the Single Europe Sky's 10% CO₂ reduction target⁽¹⁾. Through SESAR, Air France-KLM can optimize its routes and flight paths to reduce fuel burn and emissions. SESAR addresses the whole scope of aviation's environmental impact, including CO₂ and non-CO₂ emissions, noise, and air quality.

Other fuel-saving measures

To mitigate the impact of fuel tankering, which involves carrying excess fuel to destinations where it is more expensive, KLM and Transavia have stopped this practice completely, while Air France has discontinued fuel tankering on its short and medium-haul routes and considerably reduced it on its long-haul routes.

In 2024, KLM conducted tests to optimize aircraft center of gravity by adjusting cargo placement toward the rear of the aircraft, resulting in a more aerodynamic flight profile. This adjustment reduces drag and enhances fuel efficiency. Air France is also in a continuous process of optimizing center of gravity to reduce fuel consumption.

4. Jet fuel upstream efficiency

Actions on this lever will be launched in the coming years in cooperation with the Group suppliers.

5. SAF

SAF incorporation and long-term procurement

There are ongoing global initiatives to encourage and enforce the use of SAF, such as the ReFuelEU Aviation Regulation, adopted by the European Parliament in 2023 and that came into effect on January 1, 2024. This regulation mandates targets for SAF incorporation in global fuel consumption, aiming for up to 70% by 2050 for all flights within and departing from Europe⁽²⁾.

In line with its objective to reduce total GHG emissions, Air France-KLM aspires to go beyond the European mandate of 6% for flights departing from Europe as the Group is aiming to incorporate at least 10% of SAF in 2030. In 2024, the Group incorporated 103 kilotons of SAF, representing 1.25% of the total fuel consumption.

Furthermore, the Group is working on increasing SAF demand and usage, driving its growth and development worldwide. This can be achieved by forging multi-year supply agreements and actively supporting suppliers in their journey towards achieving the highest sustainability standards.

In 2023, Air-France KLM invested US\$4.7 million in DG Fuels, a producer of SAF in the United States. The capital investment will aid in the development of a new SAF refinery in the state of Louisiana. The investment should secure access to 75,000 tons of SAF annually from 2029, which is an addition to the previous uptake agreement signed in October 2022 for the sourcing 600,000 tons of SAF over the 2027 to 2036 period. These build on Air France-KLM's long-term SAF deals with Neste, SkyNRG and DG Fuels, covering a total of 1.75 million tons from 2025 to 2037.

In 2024, Air France-KLM and TotalEnergies signed an agreement for TotalEnergies to supply SAF to the Group airlines, representing up to 1.5 million tons over a 10-year period, until 2035.

Securing the quality of SAF supplies

The European Directive for Renewable Energy defines the sustainability criteria for aviation biofuel to ensure the production of SAF does not create demand for land while promoting the use of waste and residues as feedstocks.

⁽¹⁾ Air transport: Single European Sky | Fact Sheets on the European Union | European Parliament - <https://www.europarl.europa.eu/factsheets/en/sheet/133/air-transport-single-european-sky#:~:text=The%20Single%20European%20Sky%20initiative,initiative%20open%20to%20neighbouring%20countries>.

⁽²⁾ https://transport.ec.europa.eu/transport-modes/air/environment/refueeu-aviation_en

Air France-KLM has established a strict sourcing policy aiming at ensuring that the SAF production facilities selected have a reduced impact on the environment. The SAF selection criteria includes minimizing the overall direct and indirect land use change to ensure there is no competition with human food and animal feed supply, excluding palm oil-derived materials, and requiring RSB⁽¹⁾ or ISCC⁽²⁾ certification.

Air France and KLM have been members of RSB since 2008, in their capacity as founding members of the SAF Users Group (SAFUG). This body takes into account 12 criteria ranging from food security to rural development, the quality of air, soil and water resources, and waste management.

Supporting SAF research and the development of SAF production in Europe

For almost 15 years, Air France-KLM has been involved in supporting SAF developments.

In 2011 KLM was the first airline to operate a commercial flight partially fueled by SAF, while in 2014 Air France launched the Lab Line for the Future, conducting 78 flights partially powered by SAF. In 2018, together with ATAG (Air Transport Action Group), Air France helped establish the French national roadmap on aviation biofuels. In 2021, Air France completed its first long-haul flight fueled by SAF produced entirely in France, while KLM operated the world's first commercial flight using synthetic fuel. Through the Council for Civil Aviation Research (CORAC), Air France is driving the development of an SAF strategy through technological research and innovation aimed at achieving the global ecological transition objectives.

SkyNRG, co-founded by KLM, has been instrumental in developing and supplying SAF since 2016. At Los Angeles airport, it supplies KLM with SAF produced by the local World Energy refinery. SkyNRG is currently developing an SAF production plant in the Netherlands and KLM is committed to offtaking 75% of production.

Air France-KLM participates in the Renewable Low Carbon Fuels (RLCF) Value Chain Alliance, an EU initiative that focuses on increasing production and supply of renewable and low carbon fuels in the aviation sector. As part of this alliance, Air France-KLM formally chairs roundtable 2 on "Production Pathways and Value Chain in Aviation" and is represented in the three other roundtables. The goal is to accelerate the development and production of SAF in Europe.

Air France-KLM currently supports a large number of e-fuel production projects for aviation. One example is the "Take kair" project in the French Pays de la Loire region, developed by EDF, Holcim, IFPEN, and Axens to help create the French aviation e-fuel industry. This new industrial facility is one of the first e-fuel production projects in France and will save over one hundred kilotons of CO₂ each year. The objective is to start the construction of the industrial pilot in 2026 for a first phase of production in 2028.

In 2024 Project SkyPower was launched and is co-chaired by Air France-KLM. SkyPower has made tangible progress this year in mapping the barriers and solutions to e-SAF bankability in Europe. The project has convened over 50 value chain organizations and 15 CEOs of fuel producers, technology firms, financiers and aviation stakeholders to support e-SAF project development efforts aligned with European climate goals. SkyPower developed a 10-point action plan that highlights the technical, financial, regulatory and demand measures necessary to making e-SAF a commercial reality in Europe in this decade.

In 2024, Air France hosted alongside Hynamics EDF Group, Noven and Société Générale the third edition of "SAF connect," an event bringing together key stakeholders in the SAF community to exchange ideas and promote decarbonization in the aviation industry. The event featured financial and technology experts, project leaders, public administration and off-takers, discussing the challenges and opportunities for SAF production in France.

Discussions revolved around regulation, blending operations, the development of SAF projects in France, as well as the role of financial institutions in the SAF ecosystem.

Created in 2010, the Strategic Sector Committees (or CSF: *Comité stratégique de filière*) are intended to develop industry in France. The CSF bring together manufacturers, the State and trade union organizations within the National Industry Council, chaired by the Prime Minister. The CSF New Energy Systems (CSF NSE) aim to transform the energy transition into an opportunity to reindustrialize French territories. In 2024, a new working group dedicated to SAF was launched within the CSF NSE. This SAF working group, chaired by Air France, aims to turn the decarbonization of the aviation sector into an opportunity to reindustrialize France while scaling up SAF production in France.

⁽¹⁾ Originally established in 2007 as an academic initiative to respond to the sustainability risks posed by a growing focus on biofuels, RSB was formally registered in 2013 as a not-for-profit association – expanding its mission to advance the just and sustainable transition of the bio-based and circular economy.

⁽²⁾ The International Sustainability and Carbon Certification (ISCC) is an independent multi-stakeholder initiative and leading certification system supporting sustainable, fully traceable, deforestation-free and climate-friendly supply chains. With our certification we contribute to environmentally, socially and economically sustainable production.

Engaging customers and partners

Air France and KLM were the first carriers to offer their customers a SAF program for both businesses and cargo, thereby raising awareness and knowledge around SAF and offering the opportunity for companies to reduce their duty-travel and cargo transportation-related CO₂ emissions. The SAF programs had more than 180 companies contributing in 2024. Air France-KLM Martinair Cargo runs an online platform called goSAF where Cargo customers book their shipments and proposes an option to add SAF as an ancillary to their Cargo booking. Furthermore, within the scope of the bluebiz program, members can invest their blue credits in SAF. In 2024, 206 customers participated.

Since 2022, individual customers can also voluntarily contribute to increasing the use of SAF when they make a booking or up until check-in, through the ancillary SAF option. In June 2024, Air France launched "extra SAF" Fares for La Première customers allowing them to contribute to the purchase of SAF at the beginning of the booking flow, therefore increasing SAF voluntary contribution exposure. The voluntary SAF contribution by Air France and KLM customers is at the top of the (mandatory) SAF surcharge as from 2025.

Since 2022, the Group has offered all its Flying Blue members the option to pay for SAF also with Miles. As an incentive or reward for high-value customers, their contributions count towards earning or maintaining Flying Blue Elite status.

Since 2024, Air France and KLM are the first European airlines to proactively display, in a transparent manner, CO₂ emissions for a flight in the flight selection page on their websites. This CO₂ emission display includes detailed information on the impact of air travel, calculation methods and available levers to reduce one's travel impacts.

6. Carbon removals

See section E1-7 "GHG removals and GHG mitigation projects financed through carbon credits (E1-7)".

B. Ground operations

In addition to reducing emissions from kerosene combustion, which are responsible for the majority of Air France-KLM's carbon footprint, the Group is aiming to decrease its GHG emissions for its passenger and cargo-related activities in its ground operations at Paris-Charles de Gaulle, Paris-Orly and Amsterdam-Schiphol airports through energy consumption management and operational efficiency enhancement initiatives.

Energy consumption in the ground operations, such as the kerosene used in the Engineering & Maintenance (E&M) Engine Test Bench (ETB), the fuels used by ground support equipment, electricity, heating, cooling and natural gas use in buildings (including energy for mobility, aircraft maintenance and tertiary activities), generates direct and indirect greenhouse gas emissions (scopes 1, 2 and 3). In 2024, this accounted for 13% of Air France-KLM's total scopes 1, 2 and 3 emissions.

The Group has been actively pursuing measures to reduce CO₂ emissions, including trials involving electric Ground Power Units (e-GPUs) and thermal Air Conditioning Unit (ACU) converters for air conditioning on the ground. The Aircraft Power Unit (APU) OFF concept, which minimizes APU usage during ground operations, is progressively being extended to medium-haul flights, with 100% of Charles-de-Gaulle Terminal 2F's medium-haul gates having been equipped. A study is underway to gradually extend the APU OFF process to international outstations.

In 2024, 69% of the ground equipment at the Group hubs were electrically powered. A Proof Of Concept for a Taxibot was operated at CDG Terminal 2F between December 2023 and February 2024 and in December 2024, KLM used the taxibot for the first time on a commercial flight.. Analysis of the data then enabled the limits of the equipment's use to be identified and a new medium-term phase of reflection to be launched internally at Air France and in collaboration with ADP. A pilot using a hydrogen powered GPU has been conducted at Schiphol.

In May 2024, the first four electric wide-body aircraft tractors were added to the ground service equipment (GSE) at CDG. Since July 1, 2024, CDG's GSE fleet has been entirely powered by HVO (Hydrotreated Vegetable Oil), with no technical or economic consequences. HVO100 was used for all diesel powered vehicles at the Amsterdam-Schiphol hub. According to ADEME emission factors, HVO100 reduces CO₂ emissions by 77% compared with the diesel it replaces⁽¹⁾.

At Air France, in July 2023, two contracts (for a period of 20 years) were signed with "EDF Renouvelables" to contribute to the installation of two solar farms in France (La Charité – Nièvre and Grand Guéret – Creuse). The annual potential is estimated at 28 GWh which corresponds to 20% of Air France's current electricity consumption supplied by EDF.

Partnerships with suppliers allow the Group to further improve its strategy such as at Air France Cargo which has launched an electric Orly-CDG shuttle and tested an electric truck on the runway with one of its logistics providers.

Reducing the energy consumption of ground facilities

Air France-KLM Group facilities have in place different energy efficiency programs that include measures such as switching off lighting, automatic switch-off for electronic devices, thermal insulation work, and adjusting temperature settings.

As part of the French government's 2022 national plan to reduce energy consumption (starting with the signing of the "Manifeste EcoWatt", then the "Charte sobriété tertiaire – plan bâtiment durable" on November 27, 2023), Air France has tightened its temperature setpoints (19°C-26°C), stopped using hot water except in showers, closed its headquarters one extra day a week by encouraging telecommuting, improved many control systems and replaced the most energy-intensive equipment. These efforts have enabled Air France to achieve a reduction of 20.5% in 2024 compared with 2019, in excess of national targets (-10%).

⁽¹⁾ <https://base-empreinte.ademe.fr/>

In 2024, KLM began sustainability renovations starting with Hangar 10, installing an advanced heat exchange system to eliminate natural gas usage. Similar renovations will commence on Hangar 73 in 2025.

Supporting research, development and capacity building in the airline industry

To promote the advancement of low carbon and mitigation technologies, Air France-KLM is committed to research and development into innovative solutions, design, and aeronautical and engine maintenance. The Group and its airlines are part of various initiatives that contribute to the different levers of its Transition Plan:

- Air France-KLM is involved in the Clean Air Transport Initiative, which aims to accelerate the transition towards zero-emission commercial aviation technologies. This initiative involves the development of new technologies and infrastructure.
- Air France-KLM participates in the Alliance for Zero-Emissions Aviation (AZE), which aims to prepare the market for the entry into service of zero-emission aircraft. The objective of this Alliance is to support the development of zero-emission aircraft technologies, fuels and infrastructures and to facilitate the deployment of these technologies in the aviation industry.
- Air France-KLM Martinair Cargo has joined the Smart Freight Centre (SFC) program to increase transparency on GHG emissions and drive decarbonization measures across the air freight industry.
- Air France-KLM is a partner in the TU Delft-France Initiative and is committed to contributing an annual €150,000 over three years, starting in 2024. Launched in April 2023, the initiative aims to create innovative solutions to decarbonize the aviation industry. The financing will go towards a university fund to finance ambitious collaborative research projects between France and the Netherlands.
- Air France Industry and KLM Engineering and Maintenance have signed MoUs with start-up OEMs to prepare for aftermarket service for hybrid and hydrogen-electric aircraft and are participating in the development of educational programs for technicians to support the adoption of new technologies. This ensures that technicians are adequately trained to support the new aircraft technologies and promotes the safe and effective adoption of these technologies.
- As a founding member of the Aviation Climate Task Force (ACT), Air France-KLM is participating in the acceleration of breakthroughs in emerging decarbonization technologies, with a focus on synthetic SAF, hydrogen and direct air capture.
- Air France and KLM are partners in the HERON project, which aims to demonstrate how aviation's environmental footprint can be reduced with innovative procedures. The project receives funding from the European Union and runs from 2022 to 2025, focusing on more efficient aircraft operations and optimized air traffic management during both flight planning and real-time operations.
- Air France and KLM have participated in the launch of The Aviation Challenge (TAC). The initiative was embraced by the SkyTeam alliance with 24 airlines that operated 33 flights in 2024. Over 200 suppliers took up the challenge, providing circular on-board products, lightweight materials, SAF and IT solutions.
- Air France is a partner in the OLGA project, launched in 2021 by the Aéroports de Paris group and comprised of four international airports and 57 partners. The project thrives on demonstrating innovative environmental solutions applicable to the consortium's member airports and capable of being replicated on a European scale. The solutions are meant to lead to proven CO₂ reduction, air quality improvement, and biodiversity preservation with the involvement of the entire sector's value chain.
- Air France is co-leader of the Strategic Sector Committee – New Energy Systems (CSF NSE) which is working to transform the energy transition into an opportunity to reindustrialize French territories. The committee brings together state, industrial and trade union stakeholders around a common roadmap with two main ambitions for the energy transition: to lead a competitive energy transition and to develop industry.
- In 2024, Air France together with ENAC (Civil Aviation National School) and Airbus, have launched NovAero teaching chair aimed at developing the skills needed to reduce the environmental impact of the aviation sector. Students at ENAC will have access to a curriculum specifically dedicated to environmental and societal transitions, with the introduction of a NovAero Certificate.
- KLM has a partnership with Delft University of Technology in the Netherlands to design the Flying-V aircraft, a highly energy-efficient long-haul aircraft, and has engaged in collaborative efforts aimed at further developing the aircraft. This innovative aircraft design has the potential to significantly reduce emissions. In addition, KLM is supporting AeroDelft, a student team whose mission is to prove that emission-free aviation is possible by designing and building one of the world's first liquid hydrogen aircraft.
- KLM is also a member of the Heart Aerospace Advisory Board, which supports the design and development of the ES-30 and the program milestones on the path to aircraft type certification.
- KLM is a full member of the Electric Flying Connection (EFC) and the Power Up collective, which aims to revolutionize transportation through electric aircraft. EFC focuses on building a network of organizations dedicated to creating a value chain for electric flying, while Power Up aims to gain knowledge of the feasibility, potential and handling of electric flights.
- KLM is a partner of the *Duurzame Luchtvaarttafel*, a working group that aims to reduce CO₂ emissions from aviation. This sub-table of the mobility sector-table is facilitated by the Ministry of Infrastructure and Water Management and involves sector parties, knowledge institutes, trade organizations and social organizations.

- KLM is also a partner of TULIPS, a €25 million EU-funded consortium, which will develop innovations for airports between January 2022 and December 2025. The project aims to accelerate the roll-out of low-carbon mobility technologies, achieve zero-emission and zero-waste airports by 2030, and climate-neutral aviation by 2050.
- KLM is involved in the EU-funded research project BeCoM (Better Contrail Mitigation), which is attempting to bring about a significant reduction in or elimination of the global mean contrail radiative forcing. This is facilitated by a confident forecast of persistent contrails, reduced weather-dependent individual contrail radiative effects, and successful avoidance of strongly warming contrails via trajectory optimization.
- Since 2024, KLM has been involved in the EU-funded research project HOPE (Hydrogen Optimized multi-fuel Propulsion system for clean and silEnt aircraft). The project will deliver an integrated aircraft propulsion system comprising two multi-fuel, ultra-high bypass ratio (UHBR) turbofan engines and a fuel-cell-based auxiliary propulsion and power unit (FC-APPU) driving an aft boundary layer ingestion (BLI) propulsor based on the tube-and-wing aircraft configuration. This system will minimize the combustion and noise emissions during landing and take-off, overhaul the existing aircraft configuration and de-risk hydrogen use solely in existing tube-and-wing aircraft configurations.

Staff engagement

Air France-KLM engages employees at all levels to contribute to the collective sustainability efforts in the aviation sector, providing them with information and training.

Air France has launched "My Climate School", an online training program on environmental transition that is mandatory for all managers. This 90-minute course contains a selection of pedagogical and science-based modules from the AXA Climate school program together with insights on Air France's decarbonization strategy. In addition, all Air France staff can access the AXA Climate School's full library, which contains a whole catalog of modules to understand environmental issues and also tips on «how to act in my job».

Non-CO₂ effects

The climate impact of aviation is larger than CO₂ emissions alone. Aircraft produce other emissions such as water vapor, soot particles and nitrogen oxides that interact with the atmosphere and contribute to climate change.

The most significant non-CO₂ effect is due to contrails, the line-shaped clouds that sometimes form behind an aircraft. The exhaust soot particles emitted by engines promote their formation and they can persist for dozens

of hours under specific atmospheric conditions. Persistent contrails may have a twofold impact on the climate – a cooling effect due to the reflection of solar radiation, and a greenhouse effect, which warms the atmosphere. At night, in the absence of sunlight, all persistent contrails are warming. So not all flights have the same impact – depending on the time of day, the trajectory or the season, contrails can have a warming, cooling, or neutral effect. Additionally, NO_x emissions from aircraft engines at high altitude contribute to the formation of ozone and the destruction of methane, both greenhouse gases, such that the overall effect is estimated to be warming although this is dependent on the background surface air pollution levels.

There are still many uncertainties in assessing and quantifying the climatic impact of non-CO₂ effects but the latest scientific studies tend to demonstrate that they have a warming impact, especially in the short term, comparable to the impact of CO₂. Overall, a small number of flights are believed to account for most of the climate impact caused by contrails. In 2019, on a global scale, less than 3% of flights were responsible for 80% of the climate impact related to contrails⁽¹⁾. Detecting these flights in advance will allow for the implementation of solutions to reduce their climate impact in the future. Two potential solutions are under investigation: if possible, changes in flight trajectory and improvement in fuel quality. As of now, neither is mature enough to be deployed on a large scale.

The most promising strategy in the years to come seems to be the modification of flight paths to avoid creating warming contrails. In most cases, this solution may result in additional fuel consumption and consequently additional CO₂ emissions. These flight path changes should therefore only be implemented if they are globally beneficial for the climate. They will require a precise forecast of the areas incurring a risk for the climate, as well as a comparison of the short-term benefit of avoiding contrails, with the long-term negative effect of the additional CO₂ emissions generated by the avoidance. This solution may also pose operational challenges when implemented, particularly in an increasingly congested airspace.

An alternative solution to lowering the climate impact from contrails is to make changes to the fuel composition. Using highly concentrated blends of SAF has been shown to lower the contrail climate impact in scientific studies⁽²⁾. Currently SAF is used in relatively small and diluted quantities so it does not have a noticeable non-CO₂ effect for the moment. A second fuel option, hydrotreating fossil kerosene to remove naphthalene, results in lower soot particle emissions, which lowers the contrail climate impact as well. For now, hydrotreated kerosene is currently unavailable on the market. Work is ongoing in the European Union to explore the feasibility of a new jet fuel standard.

⁽¹⁾ Teoh et al., Imperial College.

⁽²⁾ <https://www.nasa.gov/news-release/nasa-dlr-study-finds-sustainable-aviation-fuel-can-reduce-contrails/>

Although the European Union will mandate non-CO₂ reporting under the EU-ETS (European Union Emissions Trading System) from 2025 onwards, there is no international consensus on the methodology to convert non-CO₂ effects into CO₂ equivalents, and the efficacy of different levers to mitigate non-CO₂ effects has not all been identified, nor have the trade-off they require with CO₂. The Science-Based Targets sector guidance for aviation does not incorporate non-CO₂ effects precisely for this reason. Therefore, the Group Transition Plan does not take non-CO₂ effects into account for now. Nevertheless, Air France-KLM factors them into its long-term strategy and is actively working with research facilities, policymakers and solution providers to increase the knowledge of non-CO₂ effects and speed up the implementation of mitigation measures.

- Since 2013, Air France has been involved in the research infrastructure IAGOS (In-Service Aircraft for a Global Observing System) and operates one aircraft with sensors collecting atmospheric data.
- Since 2021, Air France has been working in close collaboration with Météo France to help further improve their forecasting of the contrail risk area. Air France has collected more than 2,700 observations with its Contrail Observation Program.
- Air France-KLM participates in research through the “Conseil pour la recherche aéronautique civile” (CORAC) which supports Climaviation, a Climate Chair focusing on the non-CO₂ effects of aviation.

- Air France is involved in CICONIA, a three-year European project that aims to define and assess new procedures for airlines and air traffic control to mitigate non-CO₂ effects on a large scale. From 2023 to 2026, Air France will contribute its expertise to the project and conduct trial flights to evaluate the efficacy and operational impacts of contrail avoidance.

In 2024

- KLM is a member of the Advisory Board for the EU project that will investigate the revision of the ETS Directive to include a MRV (Measuring, Reporting and Verification) system for non-CO₂ effects in aviation.
- Air France estimated for the first time the contrail impact of its flights. Although this work will have to be refined as standardized methodologies are set, it already gives valuable insights into areas or flights to target for future mitigation trials and confirms the scientific findings relative to the small number of flights responsible for the greater part of the climate impact.
- Air France and KLM presented their work on contrail avoidance and its challenges at the first ICAO symposium on non-CO₂ effects.

4.2.1.4 Metrics – Climate change (E1-5, E1-6, E1-7, E1-8)

4.2.1.4.1 Energy consumption and mix (E1-5)

Total energy consumption and energy intensity

All energy consumption is reported in Mega-Watt-hours (MWh) in Lower Heating Value (LHV), also called net calorific value.

All quantitative energy-related information is reported as final energy consumption, referring to the amount of energy actually consumed.

In accordance with the ESRS E1-5 §38 and §40 provisions, Air France-KLM's main activity being air transport, the total energy consumption from fossil sources is broken down by source and the energy intensity is calculated based on the Group's total net revenue.

Energy Consumption		2024		
In MWh		Total	Flight Ops	Ground Ops
Renewable	Fuel	1,318,359	1,272,511	45,847
	Of which: SAF	1,272,511	1,272,511	–
	Electricity, heat, steam, cooling	147,867	–	147,867
	Self-generated non-fuel	1,774	–	1,774
	Total renewable consumption	1,468,000	1,272,511	195,489
	Share in total energy consumption	1.44 %	1.25 %	38.59 %
Fossil	Fuel	100,533,677	100,363,490	170,186
	– From coal and coal products	–	–	–
	– From crude oil and petroleum products	100,427,061	100,363,490	63,571
	Of which: Conventional Aviation Fuel	100,409,691	100,363,490	46,200
	– From natural gas	106,615	–	106,615
	– From other fossil sources	–	–	–
	Electricity, heat, steam, cooling	45,087	–	45,087
	Total fossil consumption	100,578,764	100,363,490	215,273
	Share in total energy consumption	98.47 %	98.75 %	42.50 %
Nuclear	Total nuclear consumption	95,789	–	95,789
	Share in total energy consumption	0.09 %	–	18.91 %
Total energy consumption		102,142,552	101,636,001	506,551

The energy intensity of the Air France-KLM Group, reconciled with the net revenue recognized in the financial statements, is as follows:

Energy intensity	2024
Total Net Revenue as reported in the financial statements (€ millions)	31,459
of which: Revenues from fossil fuel trading activities ⁽¹⁾	8
Energy intensity (in MWh/k€)	3.25

⁽¹⁾ Specific disclosure in compliance with ESRS 2 SBM-1 40d i) standard

Air France-KLM consumed 3.25 MWh of energy for each thousand euros generated in net revenue in 2024.

4.2.1.4.2 Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

Gross scopes 1, 2, 3 and total GHG emissions

Direct and indirect CO₂eq emissions are reported in accordance with the Green House Gas Protocol.

Scope 1 GHG emissions

The total gross scope 1 GHG emissions of Air France-KLM are the direct GHG emissions from assets that are owned or controlled by the Group and its subsidiaries.

Scope 1 GHG emissions from flight operations

The gross scope 1 GHG emissions from flight operations are the direct emissions arising from jet fuel and SAF consumption by the aircraft during flights operated by the Group and its airlines, for passenger and cargo transport. The calculations are made using an emission factor of 3.16 tons of CO₂ emitted for 1 ton of fuel consumed (corresponding to the ICAO standard). The emissions for the baseline year 2019 have been restated using this standard emission factor. Given the very low levels of CH₄ and N₂O produced by modern aircraft engines, the Group considers in this situation that the CO₂ emitted is similar to the CO₂ equivalent.

Scope 1 GHG emissions from ground operations

The gross scope 1 emissions for ground operations are the direct emissions arising from the consumption of energy used in the ground operations of Air France-KLM and its subsidiaries, and notably the natural gas and fuel use from engine test benches, vehicles and ground support equipment.

Scope 1 emissions are calculated by multiplying the activity data (energy consumption) by its associated emission factor (considering only the combustion part of the emission factor). The factors are based on national standards or are delivered by the energy suppliers.

Percentage of scope 1 from regulated Emission Trading Schemes (ETS)

The percentage of scope 1 GHG emissions from regulated emission trading schemes includes emissions covered by the EU-ETS or any other national non-EU ETS schemes over the reporting year.

Scope 2 GHG emissions

The total gross scope 2 GHG emissions of Air France-KLM are the indirect GHG emissions from the use of purchased electricity, steam, heating and cooling, and are calculated based on the consumption volume and the corresponding emission factors. The calculation of scope 2 emissions is carried out according to the two methods described by the GHG Protocol: one based on the market and the other based on geographic location:

- **location-based method:** this method takes into account the average emissions related to the production of electricity in the area in which it is consumed. The emission factors used are mainly taken from the ADEME and the Co₂emissiefactoren database;
- **market-based method:** this method takes into account the contractual agreements under which the organization sources electricity from specific sources, such as renewable energy. It is becoming mandatory to provide certificates of origin guaranteeing that the electricity has been produced from a renewable energy source and fed into the electricity grid. The CO₂ emissions reduction resulting from the purchase of these certificates for renewable electricity are subtracted from the total. The renewable energy rates are communicated by the suppliers.

Scope 3 GHG emissions

Air France-KLM has conducted a thorough review of its global carbon footprint to identify the relevant scope 3 categories given the Group's activity and value chain characteristics, in accordance with the GHG Protocol standards.

The following categories are reported:

- **Category 1 "Purchased goods and services" (spend-based):** These emissions occurred from goods and services purchased by the Group and for which the emissions are not already reported under scopes 1, 2 or any other scope 3 category. Emissions are derived from the external expenses reported in the Group's financial consolidation system, to which the corresponding monetary emission factor from the ADEME database is applied.
- **Category 2 "Capital goods" (spend-based):** These emissions occurred from the manufacturing of capital goods acquired by the Group. Emissions are derived from their accounting value in the Group's financial reporting, to which the corresponding monetary emission factor from the ADEME database is applied. For the fleet, capital goods include aircraft acquired or leased in the year, to which a specific emission factor is applied, determined based on the publicly available information from aircraft manufacturers.

- **Category 3 “fuel and energy-related activities” (activity-based):** These emissions are generated during the production, transportation and distribution of conventional aviation fuel and SAF. In line with the SBTi methodology, Air France-KLM uses a GHG emission factor of 0.80422 tons CO₂eq emitted for 1 ton of fuel consumed to calculate its scope 3 emissions, determined from the emission factor defined by the ICAO (89 gCO₂eq/MJ) for the entire life cycle of kerosene and the heating value of kerosene (44.5 MJ/kg). That is a factor of 0.2545 of the corresponding scope 1 emissions.
- **Categories 4 and 9 “Upstream and downstream transportation and distribution” (spend-based):** These categories include emissions that occurred from the transportation and distribution of products purchased (excluding fuel and energy) (category 4) and the transportation and distribution of products sold (category 9). Emissions are derived from the transport expenses paid by the Group, to which the monetary emission factor from the ADEME database is applied. Only the expenses paid by the Air France and KLM legal entities are taken into account.
- **Category 5 “Waste” (activity-based):** These emissions occurred from the disposal and treatment of waste generated in the Group's operations. These emissions are calculated based on the waste volumes and the corresponding emission factors from the ADEME database.
- **Category 6 “Business travel” (hybrid):** These emissions occurred from the transportation and accommodation of the Group's employees during their duty travel. Depending on the data availability, the actual distance traveled and number of hotel nights are used, or the corresponding financial expenses, to which the emissions factors from the ADEME database or the Dutch government are applied.
- **Category 7 “Employee commuting” (hybrid):** These emissions occurred from the transportation of the Group's employees to and from the workplace. Depending on the data availability, the actual distance travelled or the financial expenses reimbursed is used, to which the relevant emissions factors for each means of transport from the ADEME database or the Dutch government are applied.
- **Category 15 “Investments” (hybrid):** This category accounts for the emissions of the entities in which Air France-KLM owns a non-controlling stake (associates and joint-ventures); the emissions are estimated based on the share of the net revenue generated by the entity corresponding to the ownership interest of Air France-KLM, to which the most relevant monetary emission factor from the ADEME database is applied. Specifically for SAS AB, the actual emissions were taken into account.

GHG emissions

The following table shows the Air France-KLM Group's total GHG emissions :

(in ktCO ₂ eq)	Base year (2019)	2023	2024	2030
Gross scope 1 GHG emissions				
Flight Ops	28,320	24,704	25,693	<i>below base year level</i>
Jet Fuel	28,317	24,681	25,656	
SAF	3	23	37	
Ground Ops		39	33	
Total gross scope 1 GHG emissions		24,743	25,727	
Percentage of gross scope 1 GHG emissions from regulated ETS			23 %	
Scope 2 GHG emissions				
Total gross scope 2 GHG emissions location-based		45	19	
Total gross scope 2 GHG emissions market-based		15	9	
Scope 3 GHG emissions				
1. Purchased goods and services	<i>not reported</i>		2,514	
2. Capital goods	<i>not reported</i>		1,271	
3. Fuel and energy-related activities	7,207	6,287	6,550	<i>below base year level</i>
Jet Fuel	7,207	6,281	6,530	
SAF	1	6	9	
Ground Ops	<i>not reported</i>		11	
4 & 9. Upstream and downstream transportation and distribution		412	426	
5. Waste generated in operations	<i>not reported</i>		18	
6. Business travel	<i>not reported</i>		77	
7. Employee commuting	<i>not reported</i>		85	
15. Investments	<i>not reported</i>		259	
Total gross scope 3 GHG emissions		6,699	11,200	
Total GHG emissions				
Total gross GHG emissions location-based		31,487	36,945	
Total gross GHG emissions market-based		31,457	36,935	

As of 2024, in line with Air France-KLM's ambition to report on all relevant GHG emissions categories, several new scope 3 categories that have an impact on the total GHG emissions have been added to the total GHG emissions reported over fiscal year 2024. The total GHG emissions reported over the 2024 year can thus not be directly compared to the total GHG emissions reported over the 2023 year.

GHG emissions intensity

GHG emissions intensity is calculated by dividing the total gross GHG emissions by the total net revenue reported in the financial statements.

GHG Intensity	2024
<i>(in tCO₂eq/k€)</i>	
Total Net Revenue (in € million)	31,459
Gross GHG emission intensity location-based	1.17
Gross GHG emission intensity market-based	1.17

Air France-KLM emitted 1.17 metric tons of GHG for every thousand euros generated in net revenue in 2024.

Specific GHG intensity indicators**CO₂ footprint for passenger transport**

This indicator represents the fuel efficiency of the passenger transport activity of Air France-KLM, expressed in grams of CO₂ emissions per Revenue Passenger Kilometer (gCO₂eq/RPK)

This indicator covers CO₂eq scope 1 (corresponding to the Group's direct fuel consumption) emissions, divided by the RPK (Revenue Passenger Kilometer). RPK distance is calculated according to the Air Flight Distance (AFD), which is a standard derivation from the Great Circle Distance (GCD) and is on average around 6% longer than the GCD, to better reflect the operational flight paths followed by the aircraft due to various restrictions (no-fly zones, local air traffic control, weather conditions, etc.).

Please note that the CO₂ savings from SAF incorporation is not included in the fuel efficiency calculation for passenger transport.

CO₂ intensity (SBTi standard)

CO₂ intensity corresponds to the SBTi standard to which Air France-KLM has adhered and corresponds to the CO₂ emissions of the Air France-KLM passenger and cargo transport activities, expressed in grams of CO₂ equivalent per Revenue Ton Kilometer (gCO₂eq/RTK).

This indicator covers CO₂eq scope 1 (corresponding to the Group's direct fuel consumption) and scope 3 category 3 (corresponding to the upstream emissions from the production of the fuel that is consumed by the Group) emissions, divided by the sum of RTK (Revenue Ton Kilometer) and RPK (Revenue Passenger Kilometer), representing all the industry segments in which the Air France-KLM Group operates. RPK is converted into RTK using the industry-standard weight of 100 kilos per passenger. RTK and RPK distance are calculated according to the Great Circle Distance (GCD), which is the industry standard.

Fuel consumption arising from non-commercial flights is included in the calculation, while non-revenue passengers are excluded from the activity data, consistent with the recommendations of the SBTi standard. Baseline and previous-year data have been restated according to this new standard methodology.

Carbon offsetting and avoided emissions are not included in the calculation of the indicator to comply with the SBTi methodology and framework.

The specific GHG intensity indicators monitored by Air France-KLM are shown in the table below, along with the details of the respective performance of the Air France and KLM sub-groups:

Key performance indicator	Target (2030)	Air France-KLM Group			Air France Group		KLM Group	
		2024	2023	Baseline (2019)	2024	2023	2024	2023
GHG footprint for passenger transport (in gCO ₂ eq/RPK)	n/a	75	76	n/a	77	78	72	73
GHG intensity (SBTi standard) ⁽¹⁾ (in gCO ₂ eq/RTK)	-30% (vs. 2019)	928	936	957	962	977	883	880

⁽¹⁾ Restated figures, see note in section 4.2.1.3.4; without changes in methodology, this would have been a performance of 920 gCO₂eq/RTK in 2024 corresponding to a decrease of 2.9% compared to 2019 baseline of 948 gCO₂eq/RTK for Air France-KLM

Air France-KLM and its airlines faced some headwinds to its GHG intensity progression in 2024 due to unforeseen and external events beyond the Group's control, including delays in the fleet renewal plan due to constraints in the supply chain; engine issues with part of its new-generation aircraft fleet (such as several Airbus A220's) not allowing the Group to operate them to their maximum capacity; higher fuel consumption due to longer flight times on certain routes caused by various geopolitical circumstances. Several actors in the airline industry are facing these headwinds..

4.2.1.4.3 GHG removals and GHG mitigation projects financed through carbon credits (EI-7)

Under Article 147 of the Climate and Resilience Act, Air France-KLM is required to offset the greenhouse gas emissions of its domestic metropolitan flights. This mandatory offsetting mechanism applies to domestic emissions emitted since January 1, 2022 and its scope has gradually increased from 50% of domestic emissions in 2022 to 70% in 2023 and 100% in 2024.

In 2023, in order to cover the mandatory offset of 518 thousand tons of CO₂ emissions, a portfolio of projects was audited and communicated to the French authorities, with 35% of the CO₂ compensation from projects located in the EU. This process was verified by third-party auditor Verifavia before restitution to the French Authority DGAC.

In 2024, the emissions to be covered should be around 700 thousand tons of CO₂, of which 50% will need to be addressed with European-based projects and the remaining 50% with international projects. European-based projects are substantially more expensive than international projects. French projects are based on the French *Label Bas Carbone* methodology developed by the French government.

Air France chose Oklima, a subsidiary of EDF which is known for its expertise in decarbonization strategy, to select the various projects which must comply with the principles of carbon offsetting (measurable, verifiable, permanent and additional). 100% of the Group projects met recognized quality standards. Together with Oklima, Air France is building a comprehensive portfolio to comply with the 2024 period.

In 2023, Air France selected the Greenfield Solar Power Mission project by Fortum India (VERRA VCS 2069) as its international project. The main purpose of this project is to generate clean electricity through renewable solar energy sources. The project involves the installation of a 250 MW solar power plant in Rajasthan, India. The project is directly contributing to India's effort to develop access to renewable energy, improving the lives and living conditions of people while also creating jobs and opportunities for education.

Among the airlines operating in France and subject to the Climate and Resilience Law mechanism, Air France was one of the rare companies to diversify its available projects with a significant share of agricultural projects in addition to forestry projects. In 2023, 23 out of the 67 projects financed by Air France Group benefited from the "biodiversity bonus" granted by the French administration.

Air France is currently working with key partners to investigate how the company can finance projects that fall within its value chain in the short term: for instance financing agricultural projects that are already integrated in the catering sources of its suppliers.

Air France-KLM takes purchase agreements for future delivery of credits and cancels the credits once used for international projects in accordance with Article 147 in France. The Group has not yet purchased carbon credits for its future CORSIA compliance.

Total amount of carbon credits outside Air France-KLM's value chain

The carbon credits reported are the ones acquired to compensate emissions from previous reporting periods that are cancelled in the reporting year.

Mandatory and voluntary carbon credits purchased by Air France-KLM are included, such as the compensations brought by the Air France Group to cover its domestic emissions (pursuant to Article 147 of the French Climate and Resilience Law), while the carbon emission allowances received or brought by the Air France-KLM Group through its airlines under ETS programs (mainly EU-ETS) are not included.

Carbon Credits (in ktons of GHG)	2024
Credits related to previous years that were cancelled in the reporting year	380
Credits planned to be cancelled in future years	1,017
Share of credits under recognized quality standard	100%
Share of projects within the EU	50%
Share of credits qualified as corresponding adjustments	– %

4.2.1.4.4 Internal carbon pricing (E1-8)

Internal carbon pricing is a tool used by Air France-KLM to factor the cost of CO₂ emissions into business decisions, such as operational trade-offs and investments. This is achieved through the assignment of a monetary value to CO₂ emissions called carbon pricing (or shadow pricing), helping the Group assess the financial impact of decisions affecting its CO₂ emissions.

Internal carbon pricing has been progressively used across Air France-KLM since 2022 and is enshrined in the Group's investments procedure, with differentiated

pricing between the emissions linked to flight operations and the emissions linked to ground operations.

For emissions linked to flight operations, the strategic price is an additional decision support tool to be displayed separately from the business decisions' economic evaluation, which already includes the regulatory price.

The internal carbon pricing schemes described below are consistent with the assumptions used by the Group when conducting the assessment of the useful life and residual value of its assets and the impairment tests.

	Flight operations		Ground operations
Scope	Business decisions directly impacting controllable jet fuel consumption		Business decisions directly impacting controllable GHG emissions other than jet fuel consumption
Type	Regulatory price	Strategic price	Ground operations price
Principle	Regulatory-linked cost of CO ₂ emissions to be factored in the economic evaluation of business decisions	Cost of CO ₂ emissions linked to achieving Air France-KLM's decarbonization target, that is more ambition than regulation	Cost of CO ₂ emissions for ground emissions, based on industry standards
Value	Up to €740 per ton of CO ₂ emissions		€120 per ton of CO ₂ emissions

For 2024, Air France-KLM estimates that the share of its total scope 1 emissions covered by the internal carbon pricing schemes corresponds to around 30% (scopes 1 and 3.3).

4.2.1.4.5 Specific metrics – Climate Change

The following environmental metrics are monitored by Air France-KLM to track its progress on its emissions reduction efforts.

Share of new-generation aircraft in the fleet

The indicator refers to the share of new-generation aircraft in the Air France-KLM Group fleet in operation.

The following aircraft are considered to be new-generation aircraft: Embraer E195-E2 (and E190-E2), Airbus A220, Airbus A320neo family (including A320neo and A321neo), Airbus A350, and Boeing 787.

Fleet in operation includes aircraft operated and temporarily out of operations (under maintenance or preparation for future operations).

As of December 31	2024	2023
Share of new-generation aircraft in Air France-KLM Group fleet	26.9 %	20.3 %

To support its emission reduction efforts, Air France-KLM is investing in its fleet renewal to introduce new-generation aircraft that are more efficient in terms of fuel consumption and therefore CO₂ emissions, while also generating less noise. In 2024, the Group had 26.9% of new-generation aircraft in its fleet, compared to 20.3% in 2023.

The details of the Air France-KLM fleet can be found in section 1.4 of this Universal Registration Document.

Electrification of ground support equipment

In order to reduce the carbon footprint of its ground operations in their main hubs, Air France and KLM are investing in the electrification of their fleet of ground support equipment:

As of December 31	2024	2023
Ground Support Equipment electrification	68.7 %	64.0 %

In 2024, the Group operated 68.7% of electrified ground support equipment in its hubs of Paris and Amsterdam, compared to 64.0% in 2023.

SAF incorporation rate

The CO₂ reduction from the use of SAF is calculated based on the weighted average of the specific percentage of CO₂ reduction for the SAF batches and their respective volumes of SAF delivered. The SAF CO₂ saving is based on the information provided by the suppliers from PTDs (Post Transfer Documents).

	Air France-KLM Group		Air France Group		KLM Group	
	2024	2023	2024	2023	2024	2023
SAF consumption (in ktons)	103	87	46	38	57	49
SAF incorporation rate	1.25 %	1.10 %	0.94 %	0.80 %	1.71 %	1.50 %
CO ₂ reduction from SAF (scope 1 & 3) (in ktons of CO ₂)	(363)	(315)	(154)	(136)	(206)	(179)

In 2024, the Group incorporated 103 kilotons of SAF, representing 1.25% of the global jet fuel consumption, compared to 87 kilotons representing 1.10% of the total jet fuel consumption in 2023. The CO₂ reduction from SAF consumption compared to conventional jet fuel amounted to (363) kilotons of CO₂ in 2024, compared to (315) kilotons of CO₂ in 2023.

4.2.1.5 National Low-Carbon Strategy (SNBC)

4.2.1.5.1 Introduction

Air France-KLM is publishing this report on its strategy for reducing greenhouse gas emissions for the scope of mainland France and the overseas territories pursuant to the provisions of Article 66 of French law No. 2020-935 of July 30, 2020 and the decree-law of November 2, 2021⁽¹⁾.

Please note that the SNBC scope under consideration represents around 6% of the Group's CO₂ emissions.

The environmental transition is part of Air France-KLM strategic priorities and the Group is recognized for its sustainability ambitions and actions.

- This is an immense challenge for the aviation sector which plays a key societal role: air transportation brings together people, cultures and economies. It contributes to developing tolerance and understanding of others through travel. It connects the territories and contributes to the development of numerous economies. For more information on Air France-KLM social and economic impacts please refer to section 4.4.2 "Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)".
- If it is to continue to play this role, the sector must succeed in decarbonizing: it is a high expectation of the Group's customers and employees and a requirement of society as a whole, one which engages the entire airline industry. Throughout its history, the sector has managed to keep pace with technological and operational transitions towards safer, more affordable air transportation thanks, in particular, to aircraft and engines that are more energy-efficient, less noisy and less polluting. All of the industry's abilities are mobilized to support the sector's successful transition.

4.2.1.5.2 The National Low Carbon Strategy (Stratégie Nationale Bas-Carbone – SNBC): review of the overall principles

National Low Carbon Strategy (SNBC)

The National Low Carbon Strategy (*Stratégie Nationale Bas-Carbone* – SNBC) serves as France's policy-making roadmap in terms of climate change mitigation. It provides guidelines to enable the transition to a low-carbon economy in all sectors of activity. It sets short/medium-term greenhouse gas emission reduction targets for France in the form of carbon budgets, i.e., emission ceilings not to be exceeded per 5-year period.

The carbon budgets account for the emissions recorded in mainland France, Guadeloupe, French Guiana, Martinique, La Réunion, Saint-Martin and Mayotte, as well as emissions from transportation between these geographical areas. Emissions from international air and maritime links are not included in these figures.

The AMS⁽²⁾ scenario for air transportation

The National Low Carbon Strategy is based on a baseline scenario (AMS) developed through a modeling exercise also used in Multi-Year Energy Programming. This AMS scenario details all the public policy measures, in addition to those already in place, which will allow France to adhere to its short, medium, and long-term climate and energy objectives. It outlines a possible trajectory for reducing greenhouse gas emissions by 2050, which is used as the basis for defining the carbon budgets. The air transportation AMS scenario is based on a number of hypotheses relating to traffic growth, the improved energy efficiency of air transportation and the incorporation of more SAF. The latest version of the air transportation AMS, taking into account the most recent data available on the French Ecological Transition Ministry website, provides the following figures and revisions relative to 2015:

AMS scenario (MtCO ₂)	2015	2025	2030	2050
National air transportation	4.6	4.7	4.6	1.9
Change	0%	2%	0%	-59%

<https://www.ecologie.gouv.fr/sites/default/files/documents/Guide%20art.%2066%20LFR3.pdf>

As indicated in this guide, the rates of change in emissions projected between 2015 and the target year in the AMS scenario are used as a reference for defining company trajectories and are therefore used to check the compatibility of these companies' emission reduction targets with the National Low Carbon Strategy.

The AMS emissions projections for aviation are based, among other things, on the following assumptions for the incorporation of SAF:

Incorporation rate of SAF	2015	2020	2025	2030	2050
AMS scenario	0.0%	0.5%	2.4%	4.3%	50.0%

⁽¹⁾ See section 4.2.4 The European Taxonomy: The Air France-KLM Group is not excluded from the EU Paris-aligned Benchmarks.

⁽²⁾ AMS scenario, Avec mesures supplémentaires or With Additional Measures.

4.2.1.5.3 Consistency of Air France-KLM's CO₂ emissions roadmap with the SNBC targets

Main hypotheses retained

In the definition of the Air France-KLM Group's CO₂ emissions trajectory for the SNBC scope, a number of hypotheses have been retained. Some of these assumptions are implicit in Air France-KLM's overall decarbonization roadmap at the global level while others are specific to the construction of this SNBC trajectory.

Reasoning used for the roadmap and the organizational scope covered

The construction of Air France-KLM's SNBC trajectory does not correspond to a share of Air France-KLM's overall emissions roadmap, but rather to a dedicated construction for the scope of activity in mainland France and the French overseas territories.

The model for the trajectory is based on:

- activity: expressed in ASKs (Available Seat-Kilometers), consistent with the Fleet Plan;
- the level of consumption in gFuel/ASK of the aircraft constituting the fleet, supported by the "realized" data on the aircraft currently in the fleet and the assumptions of the manufacturers and of the Air France Fleet division for the aircraft not currently operated.

Hypotheses common to the overall roadmap and the SNBC scope

- **Emissions factor relating to the combustion of kerosene:** for 1 ton of kerosene burned, 3.16 tons of CO₂ are emitted. This emission factor is in line with the ICAO's CORSIA system used within the framework of the EU ETS system.
- **Percentage incorporation of SAF** as a proportion of the total volume of fuel:
 - 2025: target of 2% SAF incorporation on the SNBC scope;
 - by 2030, the Air-France-KLM Group aspires to incorporate at least 10% SAF at global level, higher than the French and European regulatory requirement;
 - at the time of writing of this document, there is no difference in the SAF incorporation assumptions in the specific SNBC trajectory below and those in the Group's overall decarbonization roadmap.
- **Gains obtained thanks to air operations optimization:** the assumption is a gain of 4% by 2050 relative to 2019. This hypothesis is deliberately relatively conservative since it depends on exogenous factors (e.g., the implementation of the Single European Sky project).
- **Forecast rates of activity:** The forecast rates of activity underlying the Group's emission reduction trajectory are in line with the forecasts for the French air transportation sector roadmap for which the link appears above, on the aggregate national air transportation scope: namely a modest average annual growth rate of 0.8% for the 2019-50 period.

Hypotheses specific to the SNBC scope

- **The schedule of activity** expressed in Available Seat-Kilometers (ASK), defined with the following granularity, corresponding to the Group's SNBC activity scope:
 - Air France (AF) – Long Haul: French Overseas Territories: flights between Paris and Cayenne/Réunion/Pointe-à-Pitre/Fort-de-France; and flights between the French overseas territories;
 - Air France – Hub: flights in mainland France feeding the Paris-CDG Hub;
 - Air France – Point-to-Point: Domestic France flights from/to Paris-Orly and Transversal flights;
 - Transavia France – Domestic: Domestic activity of Transavia France.

This schedule is supported by activity projections per airline through to the end of 2029 as of the writing of this document, then beyond, by a projection of activity at a normative level established by Air France-KLM's Strategy Division.

- **Aircraft load factor data**, specified based on the above-mentioned business segments. The current hypothesis retained for this trajectory is a return, in 2024, to the aircraft load factors seen in 2019, on the SNBC scope.
- **The fleet plan** expressed as the number of aircraft by aircraft type and by year based on the above-mentioned business segments. Several key elements in the specific SNBC fleet plan are:
 - Air France – Long-Haul: taking into account the fact that the Long-Haul destinations on the SNBC scope are now mostly served by Boeing 777-300ER aircraft, in a densified configuration. On the current forecasts, this will be the case until at least 2029;
 - Air France – Hub and Point-to-Point activity: the Airbus A320 family fleet is being progressively replaced by new-generation Airbus A220s. These aircraft enable around a 20% reduction in CO₂ emissions and fuel consumption relative to the previous generation of aircraft;
 - Transavia France – Domestic: Transavia France has historically operated Boeing 737-800 aircraft. The fleet mix retained within the framework of the SNBC for Transavia includes the introduction of the new-generation Airbus A320Neo as of 2024. These aircraft enable around a 15% reduction in CO₂ emissions and fuel consumption per passenger km relative to the previous-generation aircraft.

For emission reduction refer to 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3)".

Type of emissions

Scopes 1, 2, 3

The bulk of Air France-KLM's greenhouse gas (GHG) emissions is generated by its direct activities (scope 1) and mainly by air operations which represent 99.7% of the Group's total direct emissions. Ground operations (engine test benches, runway vehicles, etc.) represent 0.1% of the direct emissions. Tertiary activities also generate greenhouse gas emissions through energy consumption in buildings (electricity and air conditioning) (scope 2).

The indirect greenhouse gas emissions (scope 3) mostly come from the upstream phase (extraction, production, distribution, etc.) of aviation kerosene. The other main components of indirect emissions are the purchasing of goods and services, aircraft manufacturing, business travel and employee commuting.

The following Air France-KLM Group's CO₂ emission trajectory is based on scope 1 CO₂ emissions, i.e., taking account only of emissions linked to fuel combustion, so as to remain consistent with the specific targets assigned to air transportation in the SNBC, and the accounting of aviation sector emissions by CITEPA (Interprofessional Technical Centre for Studies on Air Pollution) (see OMINEA_2023.pdf (https://www.citepa.org/wp-content/uploads/publications/omineia/OMINEA_2023.pdf)). Additional emissions associated with the extraction, refining and transportation of fuels are not considered here. These additional emissions are nevertheless well accounted for in other sectors by the SNBC. For information purposes, the emissions linked to the manufacturing and transportation of fuel can be calculated by applying a factor of 0.2545 to the emissions linked to the combustion of kerosene. This multiplier factor comes from the recommendations of the Science-Based Targets initiative in its document on the airline sector.

The Air France-KLM Transition Plan appearing in this document in section 4.2.1.3.1 "Transition plan for climate change mitigation (E1-1)" includes scope 1 and scope 3.3 (upstream jet fuel emissions).

Greenhouse gas emissions and the focus on CO₂ emissions

The trajectory outlined below is based on CO₂ emissions, consistent with the AMS scenario for aviation.

The other greenhouse gas emissions (e.g., N₂O, CH₄) that are generally presented in the form of CO₂ equivalent (CO₂eq) are marginal relative to the CO₂ emissions from aircraft, with a contribution of around 1%, as shown in the CITEPA data (<https://www.citepa.org/fr/secten/>).

Air transportation industry

	2021	% of the total	% 2021/90
NO _x (Gg)	6.0	0.79	(8.9)
COVNM (Gg)	0.62	0.05	(72)
CO (Gg)	7.3	0.27	(45)
HFC (Gg CO ₂ e)	0.11	0.0	–
CO ₂ (Tg)	3.80	1.2	(8.8)
CO ₂ e (Tg CO ₂ e)	3.80	0.92	(8.8)
As (Mg)	–	–	–
Cd (Mg)	–	–	–
Cr (Mg)	–	–	–
Cu (Mg)	–	–	–
Hg (Mg)	–	–	–
Ni (Mg)	–	–	–
Pb (Mg)	2.8	3.3	(48)
Se (Mg)	–	–	0
Zn (Mg)	–	–	0
PM10 (Gg)	0.11	0.04	(34)
PM2,5 (Gg)	0.08	0.04	(41)
PM1,0 (Gg)	0.03	0.02	(61)
BC (Gg)	0.02	0.06	(54)
HAP (Mg)	–	–	–
PCDD-F (g-ITEQ)	–	–	–

Below, the volumes of GHG emissions for Air France-KLM 2024 showing the proportions between the different GHG and confirming the low proportion of greenhouse gas emissions other than CO₂.

Air France-KLM's emissions in 2024

	kTons	%
CO ₂ (scope 1)	25,727	99.96 %
NO _x (< 3,000 ft)	9	0.04 %
SO ₂ (< 3,000 ft)	1	– %
TOTAL	25,737	100.00 %

Non-CO₂ effects

The climate impact of aviation is larger than CO₂ emissions alone. Aircraft produce other emissions such as water vapor, soot particles and nitrogen oxides that interact with the atmosphere and contribute to climate change. There are still many uncertainties in assessing and quantifying the climatic impact of non-CO₂ effects, but the latest scientific studies agree that they have a significant warming impact, especially in the short term, comparable to the impact of CO₂. Although the EU will mandate non-CO₂ reporting under the EU-ETS from 2025 onwards, there is no international consensus on the methodology to convert non-CO₂ effects into CO₂ equivalents for the moment. Furthermore, the efficacy of the different levers to mitigate non-CO₂ effects have not all been identified, nor has the trade-off they require with CO₂.

For further development around non-CO₂ effects, please refer to section 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3)".

Baseline

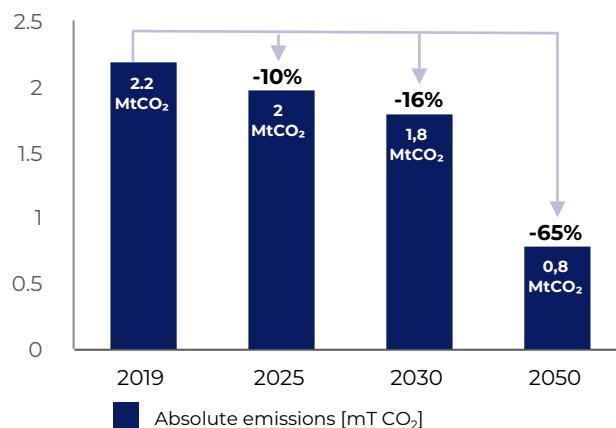
In view of the impact of the Covid-19 crisis on the aviation industry, the baseline commonly used for the decarbonization trajectory is 2019. In this document we also provide some figures based on 2015, in line with the reference year of the AMS scenario.

Air France-KLM's emission reduction targets over the short, medium and long term

The Air France-KLM Group has set itself a target reduction in the intensity of its greenhouse gases (GHG) by 30% by 2030 relative to the 2019 baseline (gCO₂eq/RTK [Revenue Ton-Kilometers]). This target was validated by the Science Based Targets initiative (SBTi) in November 2022 for the Air France-KLM Group, as well as for Air France and KLM.

On the SNBC scope, i.e., national air transportation, the Air France-KLM Group has set itself the following short, medium and long-term ambitions for reducing CO₂ emissions in absolute terms (excluding carbon offsetting):

- **in the short term (2025), a -10% reduction relative to 2019;**
- **in the medium term (2030), a -16% reduction relative to 2019;**
- **in the long term (2050), a -65% reduction relative to 2019.**



AIR FRANCE-KLM EMISSIONS TRAJECTORY ON THE SNBC SCOPE

(in absolute value and relative to the 2019 baseline)	2019	2023	2024	2025	2030	2050
Air France-KLM absolute emissions targets (MtCO ₂)	2.2			2	1.8	0.8
Air France-KLM relative emission targets (base 100 / 2019)	100			90	84	35
Air France-KLM relative emission target variation / 2019				-10%	-16%	-65%
Air France-KLM absolute emissions results (MtCO ₂) ⁽¹⁾	2.2	1.8	1.7			
Air France-KLM relative emission results variation / 2019		-24%	-28%			

(1) The figures are indicative at this stage, as they are contingent on the results of the ongoing audit of the ETS process and the final geographic allocation of SAF.

To define these targets, Air France-KLM carried out a CO₂ emissions forecasting exercise, factoring in the expected effects of the various measures that will contribute to their reduction: reduction in activity levels, fleet renewal, incorporation of more SAF, improved operational efficiency linked to the optimization of air traffic control and flight management.

It should be noted that these short and medium-term targets are based on the current forecasts for Air France-KLM's traffic growth, the Group's ambitions in terms of SAF and the current state of its market positions. For further critical assumption, please refer to section 4.2.1.3.4 "Targets – Climate change mitigation and adaptation (E1-4)".

Furthermore, the long-term target for Air France-KLM's emissions (2050) is based on assumptions that are by their very nature uncertain and concern in particular the availability of SAF at competitive prices, technological advances in the development of aircraft emitting fewer greenhouse gases, or the implementation of measures to optimize air traffic control. France's strategy for building a national SAF production chain will thus be a key condition for the successful decarbonization of Air France-KLM and of the French aviation industry as a whole – as detailed in the decarbonization roadmap for the French aviation industry: "*Proposition de feuille de route décarbonation transport aérien*"⁽¹⁾.

The main factor driving the reduction in emissions on the SNBC perimeter, from 2.2 MtCO₂ in 2019 to 1.7 MtCO₂ in 2024, is the reduction in activity levels, specifically on domestic operations in France. Indeed, within the SNBC perimeter, to date, the fleet renewal and the incorporation of SAF (1.25% in 2024) have not been the main levers of emissions reduction. However, it is important to highlight that in the future, the role of renewing the fleet and incorporating SAF should become predominant in reducing carbon emissions, while the contribution from activity levels will decrease.

A quantitative summary of the contribution of each lever envisaged to achieve the Air France-KLM Group's decarbonization objectives is presented in Chapter 4.2.1.3.1 "Transition plan for climate change mitigation (E1-1)".

The various technologies underpinning Air France-KLM's Transition Plan within the SNBC perimeter concern mainly aircraft technologies contributing to improved energy performance and more SAF. Air France-KLM is not directly responsible for these technologies and does not control their degree of maturity, although the Group is involved, to some extent, in their development together with different stakeholders like Skypower, CSF NSE (*Comité stratégie de filière*). For more information, please refer to Chapter 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3)". The entire aviation sector requires strong collaboration and substantial investment from all stakeholders (airlines, aircraft manufacturers, energy producers, etc.), as well as constant technological advances as explained in Chapter 4.2.1.3.1 "Transition plan for climate change mitigation (E1-1)".

Aware of the challenges linked to the availability and price of more SAF resources, Air France-KLM has integrated SAF variables into its procurement strategy in terms of SAF availability, quality and R&D. See Chapter 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3)" sub-section 5 "SAF incorporation and long-term procurement", "Securing the quality of SAF supplies" and "Supporting SAF research and the development of SAF production in Europe".

The assumptions underlying the projections relating to technology, prices and availability are mentioned in Chapter 4.2.1.3.4 "Targets – Climate change mitigation and adaptation (E1-4)".

A comprehensive and detailed GHG emissions reporting table of the Air France-KLM Group's, covering all categories of emissions, is provided in section 4.2.1.4.2 "Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)".

Regarding CO₂ emissions avoided, although such calculations are fully part of its decarbonization strategy, Air France-KLM does not yet publish detailed reporting on its achievements with regard to CO₂ emissions saved. The methodologies for measuring the amounts of CO₂ emissions avoided on a yearly basis and per lever are indeed not yet sufficiently robust or harmonized across the sector to be the subject of an annual published report.

The Air France-KLM SNBC is part of our Transition Plan, which is monitored at the highest level of the Group and included in the Group reviews of its five-year Strategic Business Plan. This ensures regular follow-up of its performance achievement as well as monitoring the effective implementation of its measures. Its results will be disclosed in future reports.

The detailed information regarding the investment planned for the implementation of decarbonization measures, can be found in Chapter 5.3 – Note 2.2 "Sustainable investments and financings".

Air France-KLM recognizes the importance of the low-carbon label in its environmental strategy. In accordance with Article 147 of the "Climate and Resilience" law, Air France-KLM has set up carbon offset projects based on the low-carbon label, ensuring that the projects Air France-KLM finances are of high quality and make a real contribution to reducing CO₂ emissions. However, the submission to the DGEC of an offset report in respect of our obligations under Article 147 of the Climate and Resilience Act is not directly linked to the SNBC. The SNBC, in its construction, does not take into account the cancellation of credits to cover the first half of this obligation (on international projects), nor the financing of European carbon contribution projects of the agriculture/forestry/transport type. These emission reductions are accounted for in the various sectors and not in the aviation sector. Our compliance with Article 147 therefore has no accounting impact on the Air France-KLM SNBC trajectory.

According to the National Low-Carbon Strategy (SNBC), carbon offsetting is not considered to be an active lever for reducing net emissions in specific sectors. In fact, the SNBC methodology does not allow sectors to use carbon offsetting as a lever of any kind. Each sector must therefore focus on the direct reduction of its own emissions. In the SNBC exercise presented, the carbon offsets undertaken by Air France-KLM are therefore not valued or taken into account.

⁽¹⁾ <https://www.ecologie.gouv.fr/sites/default/files/documents/Proposition%20de%20feuille%20de%20route%20d%C3%A9carbonation%20transport%20a%C3%A9rien.pdf>

AIR FRANCE-KLM GROUP EMISSIONS

The Air France-KLM trajectory on the SNBC scope is consistent with the reference year for the airline industry in the AMS scenario – confirming the compatibility and performance of Air France-KLM objectives, which go beyond the sectoral targets:

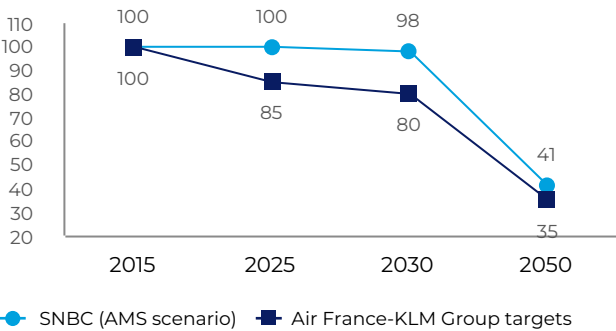
AIR FRANCE-KLM EMISSIONS TRAJECTORY RELATIVE TO THE AMS SCENARIO

(BASE 100 RELATIVE TO THE 2015 REFERENCE YEAR)	2015	2023	2024	2025	2030	2050
SNBC (AMS scenario) absolute emissions targets (MtCO ₂)	4,6	0	0	4,7	4,6	1,9
Air France-KLM absolute emissions targets (MtCO ₂)	2,3			2	1,8	0,8
Air France-KLM absolute emissions results (MtCO ₂)	2,3	1,8	1,7			

It should be noted that, within the SNBC perimeter, the Group reduced its greenhouse gas emissions by 5% in absolute terms between 2015 and 2019 (2.26 MtCO₂ in 2015 compared with 2.16 Mt in 2019).

The effectiveness of the Group's implementation plan will be assessed through the annual publication of Air France-KLM's results. The first results for 2023 and 2024 reflect a strong performance compared with the AMS scenario (26% reduction in absolute emissions in 2024 compared with 2015 for an AMS scenario of 2.2% reduction in 2025 compared with 2015).

AMS SCENARIO AND AIR FRANCE-KLM RELATIVE EMISSIONS TRAJECTORY



Air France-KLM's implication in respect of international traffic

While domestic air transportation is included in national accounting for CO₂ emissions and is governed by the SNBC targets, international air transportation is subject to the ICAO (International Civil Aviation Organization) legal framework, with which Air France-KLM complies.

The ICAO has also put in place the CORSIA program, adopted by most countries, including France. This program consists of offsetting, through certified CO₂ reduction projects, any excess – compared with the benchmark of 85% of 2019 emissions – in greenhouse gas emissions produced by commercial flights. All of Air France-KLM airlines participate in this international program.

The SBTi (Science-Based Targets initiative) specifies and validates the compatibility of a company's CO₂ emission targets with the climate objectives in the most rigorous way possible. In this case, with the validation of this target, Air France-KLM is committing itself to a decarbonization trajectory in line with a "Well Below-2°C" climate target according to the Science-Based Targets initiative⁽¹⁾.

Levers driving the Air France-KLM decarbonization trajectory

The main Air France-KLM decarbonization levers are fleet renewal, progressive incorporation of more SAF and operational efficiency measures. These levers are developed in Chapter 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3)".

- On the SNBC perimeter, which is focused on domestic traffic, intermodality plays also a significant role by encouraging a modal shift towards rail, particularly among business customers, who are adapting their travel policies. Intermodality in France provides a response to the growing challenges of hub supply, regulation and the environment. To maximize this potential, strengthening the connectivity of airport hubs to the rail network is a crucial issue. To achieve these objectives, Air France, in collaboration with ADP and SNCF, has drawn up a roadmap for further intermodality development. The main challenges consist of offering alternatives to short-haul flights, extending the network to cities not served by air, and supporting the decarbonization strategy. Two main products are being offered: Air&Rail, linking CDG to BRU with 140,900 customers in 2024, and Train + Air, linking CDG and ORY to 41 routes with 111,000 customers in 2024. 41 routes are currently served, with significant growth over the past three years (+8 routes in 2021 and +8 routes in 2023). The number of passengers carried increased by about 5% in 2024 compared to 2023. The customer journey has been totally digitalized since 2022, with customers able to check in online for their entire journey.

The Air France-KLM SNBC trajectory presented includes several sobriety levers, in particular the presentation of CO₂ emissions as soon as tickets are booked, the intermodal train + plane offer giving preference to rail alternatives on short journeys, and a sobriety message mentioned at the end of effective advertising since Summer 2024: "To continue traveling tomorrow, let's rethink the way we travel today".

⁽¹⁾ <https://www.airfranceklm.com/fr/newsroom/les-objectifs-de-reduction-des-emissions-de-co2-dair-france-klm-pour-2030-ont-ete>

Comparison of Air France-KLM's CO₂ intensity with that of the sector

There is no benchmark to date against which airlines can compare themselves.

However, the independent Science-Based Targets initiative has provided airlines with a tool enabling them precisely to assess the CO₂ intensity of their operations and compare them with the sector as a whole, taking into account the types of market in which they operate (short-haul/long-haul and cargo). According to this tool⁽¹⁾ the

CO₂ intensity expressed in gCO₂eq/RTK, was 957 for the Air France-KLM Group in 2019. According to the SBTi benchmark, the Air France-KLM Group's intensity is thus lower than that of the sector as a whole (on a comparable scope of activity).

It should be noted that, within the framework of the SBTi benchmark, these CO₂ intensities are calculated on the basis of Scope 1+3 emissions from fuel, known as Well-to-Wake.

Themes	Topic	2024 URD reference
Strategy	Greenhouse gas emission reduction strategy	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
Decarbonization levers	Fleet modernization	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
	Reducing the weight on board	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
	Optimizing aircraft performance	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
	Optimizing routes and flight paths	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
	Intermodality	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
	SAF	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
	Risk analysis	3.1.2.2 Climate-related risks*
Impacts	Non-CO ₂ effects	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
	Impacts	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
	Carbon credit risk	3.1.2.5 Carbon credit risk
Investments	Link between the investment strategy and the decarbonization trajectory	Section 5.3 Note 2.2 Sustainable investments and financings
Internal engagement	Modalities for the appropriation of the emission reduction commitments in the governance and by employees	4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2)
External engagement	The company's commitments to stakeholders, upstream and downstream in the value chain, to take into account the greenhouse gas emission reduction targets	4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2)
	Sustainable Procurement	4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2) 4.3.2 Workers in the value chain (ESRS S2)
Customer's engagement	Contribution of Air France-KLM customers to its decarbonization trajectory	4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2)

⁽¹⁾ https://sciencebasedtargets.org/resources/files/SBTi_Aviation_Tool_v1.1_locked.xlsx

4.2.2 Air pollution (ESRS E2)

4.2.2.1 Material IROs - Air pollution (ESRS2 IRO-1)

The table below presents the material impacts, risk and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Air quality management	N: Emission of air pollutants related to air transport activities (NO _x , SO ₂)	OO	R: Financial risks due to activity constraints or new regulations related to air pollution	medium/long

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

Air France-KLM's double materiality analysis confirmed that among the material issues relevant to Air France-KLM business, air quality management was material and concerns emissions of air pollutants related to air transport activities, emitted at low altitude, as well as the effects of Nitrogen Oxide (NO_x) emissions at high altitude in creating ozone and decomposing methane (included in Chapter 4.2.1.3.5 "Actions and resources – Climate change policies (E1-3) – Non-CO₂ effects").

Air France-KLM risks related to air quality are financial risks arising from regulations related to air pollution and have been assessed as medium- and long-term risks.

With regard to air pollution, the analysis was limited to Air France-KLM's own activities. Accordingly, Air France-KLM maintenance activities have been taken into account whereas fuel storage managed by suppliers was not taken into account in this analysis.

The identification of environmental material impacts (including Air Pollution) is carried out through the regulatory monitoring system and the annual environmental analyses conducted per site, supported by ISO 14001. Each business site is screened for all its environmental aspects to identify material impacts and risks and for compliance with

regulatory standards. Potential environmental risks are examined based on a list of situations, including the risks of air, soil and water pollution.

Communities affected by air pollution generated by the airport activities at Air France-KLM hubs (Roissy and Orly in Paris and Schiphol in Amsterdam) are consulted and informed through the Platforms "AirParif"⁽¹⁾ association approved by the French Ministry of Ecological and Solidarity Transition, ADP Group's "Entre voisins" website⁽²⁾, and "bezoekbas.nl" managed by "Bewoners Aanspreekpunt Schiphol"⁽³⁾. These platforms play a crucial role in facilitating communication and collaboration between airports and local residents. They allow residents of regions located near the main Air France-KLM hubs to access detailed information on air quality, emissions and actions taken to reduce the environmental impact of airports. By providing transparent data, describing regulatory and collaborative efforts, and allowing users to report complaints, ask questions and access regular reports, such platforms facilitate open and continuous communication between local communities and airport authorities, thus involving residents in environmental protection initiatives.

⁽¹⁾ <https://www.airparif.asso.fr/>

⁽²⁾ <https://entrevoisins.groupeadp.fr/donnees/mesure-de-la-qualite-de-lair/surveillance-de-la-qualite-de-l-air>

⁽³⁾ <https://bezoekbas.nl/>

4.2.2.2 Air pollution (E2-1, E2-3, E2-2)

4.2.2.2.1 Policies – Air pollution (E2-1)

Air quality is a health and environmental concern and an important aspect of Air France-KLM's sustainable development efforts. Air France-KLM aims to mitigate the negative impacts on the health of people working and living near the airport platforms, provide full transparency on air pollutants generated by its activities and comply with stringent Air Quality European regulations.

As a signatory to the United Nations Global Compact since 2003, Air France-KLM has the ambition to promote greater environmental responsibility by furthering practices that reduce harmful effects on the environment. Air France-KLM Principles⁽¹⁾ reflect the Group's ambition to balance operational efficiency with environmental responsibility, thus contributing to a more responsible air transport that respects local communities.

In addition to being a signatory to the UN Global Compact and having published the Air France-KLM Principles, the Group has developed an Air Pollution policy that addresses the identified material impacts and risks related to air pollution for its activities. The policy sets out that Air France-KLM is willing to play a role in sustainable development and improve air quality in the European aviation sector, focusing on reducing low-altitude flight emissions (NO_x and SO₂) and ground operation emissions (NO_x).

Air France-KLM refers to sector studies such as IATA for the choice of air pollutants to be reported for an Arline and ICAO for the emissions factors. The two pollutants selected by IATA to be reported are NO_x at low altitude and SO₂.

The most senior level in the Group's organization accountable for the implementation of this policy is the Air France-KLM Group's Executive Committee. The governance of environmental policies is detailed in section 4.1.3 "Governance" and then specifically GOVI-3 in ESRS 2. The policy is available internally and is applicable to the overall operations of Air France-KLM, namely Air France, KLM Royal Dutch Airlines, Transavia France, Transavia Netherlands, Air France KLM Martinair Cargo, and Air France Industries KLM Engineering & Maintenance.

Air France-KLM actively works to limit its air pollution impact by engaging dialogue with residents and other stakeholders near its operations. The Group collaborates with local communities, airport and air navigation authorities, and representatives in dedicated bodies such as Environmental Consultative Committees led by French departmental prefectures and Environmental Consultative Groups or Environmental Services for the Netherlands (Commissions Overleggroepen of Omgevingsdiensten).

Air France and KLM rely on their ISO 14001 environmental management systems to identify their air pollution risks and implement mitigation and protection measures in the event of abnormal thresholds, along with actions to reduce their emissions. This continuous improvement system is verified by third-party auditors. ISO 14001 is an internationally recognized standard for Environmental Management Systems (EMS), developed by the International Organization for Standardization (ISO). It provides a framework for organizations to manage their environmental impact, improve performance, and comply with legal requirements. Key elements include environmental policy, planning, implementation, monitoring, and continuous improvement.

Environmental risks are managed through steering committees that meet twice a year to examine risks and remedial action plans and the progress made and strategies implemented. Annual Corporate Environmental Management Reviews are carried out at the highest management level and at the operational and support levels to assess overall environmental system performance. This enables each department to monitor its local action plans and follow the achievement of objectives in the areas concerned. Environmental incidents are reported on a weekly basis through multi-risk event feedback committees in order to address and manage any immediate environmental risks or incidents.

To achieve this policy's objectives, action plans putting forward specific initiatives and timelines are deployed throughout Air France-KLM. The Group's executive management is engaged in driving environmental progress and their incentives are aligned with delivering on these plans.

4.2.2.2.2 Targets – Air pollution (E2-3)

Air France-KLM has been measuring its NO_x and SO₂ emissions from its flight and ground operations since 2005. This monitoring, combined with its fleet renewal commitments and the implementation of operational measures, has resulted in a reduction in NO_x and SO₂ emissions over the period. The Group has not defined separate targets for its NO_x and SO₂ emissions, since these are included in the overall greenhouse gas (GHG) reduction target (see section 4.2.1.3.4 "Targets – Climate change mitigation and adaptation (E1-4)").

⁽¹⁾ https://www.airfranceklm.com/sites/default/files/2022-12/AFKLM%20Principles_2021_EN.pdf

4.2.2.2.3 Actions and resources – Air pollution (E2-2)

Air France-KLM monitors its NO_x and SO₂ emissions for its flight and ground operations at its main airport bases (hubs in CDG, ORY, SPL) by calculating them at low altitude below 3,000 feet, in line with IATA Airlines Sustainability Reporting Handbook⁽¹⁾ recommendations. Most of these emissions come from aircraft movements, ground equipment and aircraft engine tests during maintenance activities.

NO_x and SO₂ emissions have been disclosed annually by Air France-KLM since 2005. Their emissions calculations are based on data provided by manufacturers of aeronautical equipment and industrial products (for calculation methodology, please refer to section 4.2.2.3).

Air France-KLM complies with European and local air quality regulations aimed at protecting the population, such as European Directive (EC) No. 166/2006⁽²⁾ listing the pollutants to be reported according to the defined emission thresholds listed in its Annex II, Directive 2008/50/EC⁽³⁾ setting the types of pollutants to be monitored and the limits not to be exceeded, and Directive (EU) 2016/2284 NEC-2⁽⁴⁾ on the reduction of national emissions. EU Directive 2008/50/EC was revised in April 2024.

For emissions related to the Group's industrial and maintenance activities, France and the Netherlands have a regulatory framework⁽⁵⁾ to govern these activities and prevent their environmental and safety impacts. Air France-KLM is subject to these provisions, which consist of strict analyses of its activities and monitoring of their emissions.

Air France-KLM is subject to strict air pollution standards and regulations regarding occupational health assessments and prevention, and reports its air pollutant emissions. The exposures to pollutants are assessed in accordance with the rules of the French and Dutch Labor Codes. These are monitored by audits and tests carried out by the Health Department as part of employee health and safety protocols. Remedial action and risk prevention in the workplace are the responsibility of each business unit with the support of the Risk department.

Air France-KLM's Air Pollution action plan is aligned with the Transition Plan detailed in section 4.2.1.3.1 "Transition plan for climate change mitigation (E1-1)", which specifically covers operational measures that reduce fossil

fuel consumption in order to achieve a reduction in air pollution. Besides the operational measures, the renewal of the Group fleet has in some instances contributed to the reduction of NO_x emissions in the Landing-Take Off (LTO) phase. Although a definitive direct correlation between new-generation aircraft and NO_x emission reduction cannot be established, Air France-KLM's overall fleet analysis indicates that new-generation aircraft emit slightly less NO_x in the LTO phase compared to the older models they replace. The resources put in place to support this action plan can be found in Chapter 5, Note 2.2 "Sustainable investment and financings".

In France, Air France is taking part in the "Aéroports de Paris (ADP) 2025 Pioneers"⁽⁶⁾ strategic environmental plan, which aims to reinforce ADP's commitment to social and environmental responsibility by partnering with the entire value chain. Regarding air pollution, this program focuses on reducing the use of aircraft Auxiliary Power Units (APUs) through the installation of shore-side power supply facilities, the development of single-engine taxiing ("n-1 taxiing") and the monitoring and measurement of atmospheric emissions in the airport environment, including studies on ultra-fine particles.

Exposure to air pollutants and the number of inhabitants affected around Air France's main airport hubs (CDG and ORY) are assessed by Airparif. Continuous assessments of ozone (O₃), nitrogen dioxide (NO₂), fines particles (PM2.5 and PM10) are carried out and made publicly available, as are annual maps showing the surface area and population affected by regulatory overruns. The latest atmospheric pollutant maps available for the Paris airports (CDG and ORY) show that NO₂, PM10, PM2.5, O₃ and benzene levels have not exceeded the regulatory values, with the exception of NO₂, where overruns are found along the motorway.

In the Netherlands, together with Schiphol, KLM is conducting an exploratory study into employee exposure to Ultrafine Particles (UFPs) and the sources of this exposure. In the framework of the "Minder Hinder"⁽⁷⁾ program, KLM is committed to the hindrance program and to contributing to the government and Schiphol's local emission reduction plans covering ultrafine particles and nitrogen. KLM is working with industry partners to measure Ultrafine Particles (UFPs) and find ways to reduce the use of Auxiliary Power Units (APUs) and increase n-1 taxiing.

⁽¹⁾ EU Directive NEC-2 directive (UE) 2016/2284 on the reduction of national emissions (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2016.344.01.0001.01.ENG)

⁽²⁾ <https://flyaware.iata.org/documents/airline-sustainability-reporting-handbook-edition-2>

⁽³⁾ (EC) No. 166/2006 concerning the establishment of a European Pollutant Release and Transfer Register in order to promote transparency and improve environmental protection. (<https://eur-lex.europa.eu>)

⁽⁴⁾ European Directive 2008/50/EC on air quality standards to protect human health and the environment from air pollution, listing the 12 regulated pollutants (<https://eur-lex.europa.eu/legal-content/fr/ALL/?uri=CELEX%3A32008L0050>)

⁽⁵⁾ "Code de l'environnement" (<https://www.legifrance.gouv.fr>) for France, "Wet milieubeheer" (<https://wetten.overheid.nl>) "Omgevingswet" (<https://aandeslagmetdeomgevingswet.nl>)

⁽⁶⁾ <https://www.parisaeroport.fr/groupe/strategie/2025-pioneers>

⁽⁷⁾ <https://minderhinderschiphol.nl/>

4.2.2.3 Metrics – Air Pollution (E2-4)

Air Pollution - NO_x and SO₂ emissions

NO_x emissions – Flight operations

Air France-KLM calculates its NO_x emissions for its flight operations during the Landing and Take-Off phases (LTO) for the low-altitude emission (i.e., below 3,000 feet) phases of the flights, as recommended by the IATA's airline sustainability reporting guidelines.

The methodology is based on the LTO cycle and on engine data⁽¹⁾ communicated by the ICAO (International Civil Aviation Organization), which are then applied to the fuel consumed by the engines in each aircraft.

NO_x emissions – Ground operations

Air France-KLM reports on its NO_x emissions for its ground operations. Emissions are mainly from the engine test benches (ETB) used during the engineering & maintenance activities and from the fuel combustion of its ground support equipment (GSE) and runway vehicles used during the handling activities in its hubs.

The NO_x emissions related to engine testing in the Engine Test Bench (ETB) are calculated based on a methodology similar to the one used for the flight operations (LTO phases).

For GSE and runway vehicles, the methodologies are based on European standards EURO 1 to 6 for light and heavy vehicles, and Stages I to IV for GSEs (European Directive 97/68/EC for non-road mobile machinery), setting the emission limits based on engine power for Air France, and by direct measurements from manufacturer data or external databases for KLM.

SO₂ emissions – Flight operations

Air France-KLM calculates its SO₂ emissions for its flight operations during the LTO phases. The calculation is based on the average sulfur content of the fuel loaded in its aircraft. The sulfur levels are provided by SMCA for Air France and its subsidiaries and by AFS for KLM and its subsidiaries, respectively in charge of the jet fuel logistics at Paris-Charles de Gaulle (CDG) and Amsterdam-Schiphol (SPL) airports. The average sulfur levels calculated for CDG and SPL are then applied to, respectively, the total fuel consumed during the year by Air France-KLM Group airlines during their LTO operations.

The amounts of NO_x and SO₂ emitted by Air France-KLM through its operations are shown in the table below:

(in ktons)	2024
NO _x emissions - Flight Ops	9.2
NO _x emissions - Ground Ops	0.2
TOTAL NO_x EMISSIONS	9.4
TOTAL SO₂ EMISSIONS	0.8

In 2024, the total NO_x emission amounted to 9.4 tons, while the total SO₂ emissions amounted to 0.8 tons.

⁽¹⁾ <https://www.easa.europa.eu/en/domains/environment/icao-aircraft-engine-emissions-databank>

4.2.3 Resources use and circular economy (ESRS E5)

4.2.3.1 Material IROs – Waste management and circularity (ESRS2 IRO-1)

The table below summarizes the material impacts, risks and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Waste management & circularity	N: Waste generated in operations related to air transport and maintenance activities	OO/VC	R: Financial risk due to regulations related to waste treatment	short/medium
			O: Waste reduction can lead to a decrease in costs	

Air France-KLM's double materiality assessment has identified wastes generated in its air transport and maintenance activities as a material topic for the Group in relation to resource use and circular economy. As a consequence, the proper management of the waste generated by the operations in these two activities are the priorities for Air France-KLM.

Please refer to the more detailed information provided in section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.2.3.2 Waste management and circularity (E5-1, E5-3, E5-2)

4.2.3.2.1 Policies – Waste management and circularity (E5-1)

Air France-KLM follows the guiding principles of ISO 14001 for its waste management actions and this standard is the basis of its waste management policy, providing a framework for the company to improve its environmental performance through more efficient use of resources and reduction of waste.

ISO 14001 is an internationally recognized standard for Environmental Management Systems (EMS), developed by the International Organization for Standardization (ISO). It provides a framework for organizations to manage their environmental impact, improve performance, and comply with legal requirements. Key elements include environmental policy, planning, implementation, monitoring, and continuous improvement.

Air France-KLM's waste management policy is focused mainly on implementing initiatives for reducing waste and improving waste management practices. The policy includes adjusting on-board services and implementing a rigorous management of inventories as well as incorporating circular economy principles and improving recycling practices whenever possible.

The Group also has the ambition to reduce the environmental impact of Single-Use Plastic products (SUPs) in its operations via several levers: eliminating SUPs wherever possible; replacing them with other materials whenever more sustainable alternatives are available; redesigning items to decrease material use, using recycled plastic; and ensuring SUPs are recycled wherever possible.

The policy is applicable to the overall operations of Air France-KLM, namely Air France, KLM Royal Dutch Airlines, Transavia France, Transavia Netherlands, Air France-KLM Martinair Cargo, and Air France Industries KLM Engineering & Maintenance including their upstream and downstream value chains.

To achieve the policy's objectives, action plans putting forward specific initiatives and timelines are deployed throughout Air France-KLM. The Group is continuously engaged in dialogue with local authorities and with the various suppliers in terms of the implementation of these action plans.

For the governance of the policy, please refer to the section on "Governance – "Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)". The policy is available for internal use.

4.2.3.2.2 Targets – Waste management and circularity (E5-3)

Air-France-KLM tracks the effectiveness of its policy and actions through the ISO 14001 framework with a certification audit every three years by an independent party and yearly follow-up audits of its action plans.

All entities in France implement a comprehensive waste tracking system pursuant to the Decree of March 25, 2021 on waste traceability transcribed into the French Environment Code (Articles R. 541-43 and R. 541-45). All Group entities in the Netherlands are subject to the Dutch regulation on waste ("*Wet Milieubeheer*").

Air-France-KLM is currently working on the revision of its waste management target and plans on setting a new target in 2025. As waste reporting evolved in 2024, with new entities now included in the scope along with new waste categories (cabin and catering waste) and treatment types, a new target will be established in the future.

4.2.3.2.3 Actions and resources – Waste management and circularity (E5-2)

Air France-KLM handles many forms of waste arising from in-flight services and maintenance and complies with strict regulatory requirements in the various countries in which it operates. Waste is managed within each Group business unit by a representative of the sustainability team and the different business departments in which the waste is actually produced are responsible for handling it.

In-flight waste

Air France-KLM's main actions to optimize onboard catering and minimize food waste include adjusting perishable product orders and maintaining a rigorous merchandise inventory management policy to reduce wastage of unconsumed fresh products on all its flights, donating unconsumed items to charities whenever possible, preselection of hot meals (available only for Air France long-haul flights in Business class).

Air France-KLM faces a challenge in improving its waste management performance due to the strict European Union legislative framework. This is exemplified by the regulations that restrict the recycling of most catering waste from intercontinental flights entering the EU. In 2021, Air France and KLM launched an initiative and finally joined a coalition of other European airlines to raise awareness among legislators about this issue. The objective is to overcome the regulatory hurdles and improve waste management practices across the aviation industry. As a result of these efforts, in 2024, the European Commission published more guidance on what can be considered category 1 waste (catering waste from intercontinental flights entering the EU). Based on this additional guidance, all Group airlines can now recycle juice and drink containers and coffee grounds, instead of incinerating them⁽¹⁾.

Aeronautical waste

Engine parts, aircraft seats, cargo pallets and broken suitcases are just some examples of the production waste generated by the Group Engineering & Maintenance, Cargo and flight operations. Although most aeronautical waste is subject to strict regulations, Air France-KLM has implemented many initiatives to reduce non-recycled production waste.

Engineering & Maintenance avoids aeronautical component waste by developing alternative repairs. Whenever repair is no longer viable, aeronautical components are deemed to be Beyond Economical Repair (BER). These components, as well as other elements of aeronautical waste, are then sent to the in-house salvation and scrap team. This team handles procedures to reuse and recycle spare parts and other forms of waste.

Wherever the rules and regulations allow, the cradle-to-cradle principle is applied to reintegrate waste into a new production cycle. Scraps that cannot be integrated within the Group's own production cycles and components that are governed by strict regulations, and thus are not reusable, are collected by external partners and either destroyed or processed into secondary raw materials. The process provides for procedures to reuse and recycle spare parts. This program has been extended to other types of waste: furniture, equipment, pallets and blankets.

At Air France, the move up-market for the medium and long-haul cabins with the installation of new seats has been accompanied by the implementation of a recycling and dismantling process for the old seats, including the reuse and recycling of components and the recovery of foams and metals.

Hazardous waste from maintenance activities is tracked via a comprehensive tracing system and its handling is harmonized at the different maintenance sites. Air France-KLM's Engineering & Maintenance department has a specific program aimed at optimizing the inventory management of chemical substances. This initiative is designed to prevent chemicals from reaching their shelf life, thereby reducing the amount of chemical waste generated.

At Air France Industries KLM Engineering & Maintenance, the Group's expertise in MRO operations enables the life span of parts and components to be extended through innovative repair and maintenance programs. This reduces the need for new (raw) materials and energy to manufacture new parts and leads to fewer spare part shipments, resulting in cost savings.

Aircraft end-of-life

Aircraft that are at the end of their service with the Air France-KLM Group are returned to the lessors or are sold to third parties if the aircraft is owned by the Group, so as to continue their operation. Air France-KLM requires third parties to comply with EU regulations regarding the dismantling of aircraft at their end-of-life.

Engines & components used in and on "end-of-life" aircraft have their own individual life cycles. Parts that are relatively new or recently overhauled will not be treated as waste but will be removed to serve other aircraft in accordance with regulations⁽²⁾, requirements, form, fit and function, without compromising on safety or reliability. The remaining parts and hull will be dismantled and recycled, a process for which the Group's airlines have contracted specialized companies with the highest environmental standards.

⁽¹⁾ Air France already had an authorization and has recycled these items since 2019 on flights to Paris.

⁽²⁾ EASA part M and part 145 as well as FAA regulations.

4.2.3.3 Metrics – Waste management and circularity (E5-5)

Resources outflow (E5-5)

Air France-KLM reports the waste generated in its own operations, broken down into hazardous and non-hazardous waste, and by the different treatment types for these types of waste. Allocation to the different categories is based on the EURAL codes used in its waste management systems and by the waste management providers.

Waste streams and materials

The following streams have been identified within Air France-KLM operations:

- **Catering:** Catering waste typically refers to the waste generated from the food and beverage service provided to passengers during the flight. This can include items such as leftover food, disposable cutlery and dishes, cups, napkins, and other packaging materials used to serve the food and beverages. The catering waste is collected by the flight crew. Catering waste is reported based on the actual waste data for the catering waste generated or collected at the Group's main hubs. At Paris hubs, waste data are communicated by the catering suppliers based on the total waste generated by their activity and the number of meal trays loaded on board Air France-KLM flights. It is reported over a twelve-month period from October in the previous year to September in the reporting year. For catering waste collected at the outstations, waste estimates are derived from the waste collected or estimated at the hubs and based on the number of passengers transported to these destinations.
- **Cabin (Cleaning):** Cabin waste typically refers to the waste generated by passengers during their flight. This can include items such as used tissues, packaging, newspapers and magazines, and other personal items discarded by passengers. Sanitary waste is also considered cabin waste. Cabin waste is usually collected by the ground handling cleaning crew. Cabin waste is reported based on the actual waste data provided by the cleaning service providers in the Group's main hubs and is estimated for the cabin waste collected at the outstations.
- **Maintenance:** Maintenance waste typically refers to the fluids used in the aircraft and aeronautical parts maintenance activities, and also includes the aeronautical waste that is prepared for reuse or discarded. Maintenance waste is reported based on the actual weight or estimated based on the volume generated by the businesses and handled by the waste management providers.
- **Cargo:** Cargo waste typically consists of the waste generated through the preparation, handling, and transport of cargo. This mainly includes materials such as wood pallets, cardboard and plastic foils that are used to wrap the goods transported by the Group through its cargo activities. Cargo waste is reported based on the actual weight generated by the businesses and handled by the waste management providers.
- **Office:** Office waste typically consists of materials such as paper, plastic or cardboard cups, cardboard packaging or small items directed to waste by the Group's employees in the course of their professional occupations. Office waste is reported based on the actual weight reported by the waste management providers.

Total weight diverted from disposal

The following treatment types have been identified within Air France-KLM operations:

- Preparation for reuse means checking, cleaning or repair and recovery operations, by which products or components of products that have become waste are prepared so that they can be re-used without any other preprocessing.
- Recycling is defined as any recovery operation by which waste materials are reprocessed into products, materials or substances used for the original purpose or other purposes. It includes the reprocessing of organic material but does not include energy recovery or reprocessing into materials that are to be used as fuels or for backfilling operations.
- Other recovery operations are defined as any operation in which waste directly serves or is prepared to serve a useful purpose by replacing other materials which would otherwise have been used for a particular purpose within the Group's operations or in the economy at large.

Total weight directed to disposal

The following treatment types have been identified within Air France-KLM operations:

- Incineration is defined as the controlled burning of waste at high temperatures with or without energy recovery.
- Landfill is defined as a waste disposal method that consists of depositing the waste onto or into land at a dedicated site.
- Other disposal represents waste that was not diverted from disposal by recycling, reuse or other recovery operations, nor incinerated or directed to landfill.

Radioactive waste

Within its own operations, Air France-KLM does not generate radioactive waste, as defined in Article 3(7) of Council Directive 2011/70/Euratom.

Non-recycled and non-reused waste

The total amount and the rate of non-recycled and non-reused waste is the sum of the waste directed to disposal and of the waste diverted from disposal by other recovery operations.

As a conservative position, when it is not possible to know whether the waste has been recycled or incinerated with energy recovery, it is categorized as other recovery operations and accounted for in the non-recycled waste.

The waste generated by the operations of Air France-KLM is shown in the table by waste type and treatment type:

As of December 31, 2024 (in Tons)	2024		
	Total	Hazardous waste	Non-Hazardous waste
Waste diverted from disposal			
Preparation for reuse	301	11	289
Recycling	7,402	765	6,637
Other recovery operations	22,264	634	21,630
Total Waste diverted from disposal	29,966	1,410	28,556
Waste directed to disposal			
Incineration	13,358	576	12,782
Landfill	579	142	437
Other disposal operations	8,314	1,592	6,721
Total Waste directed to disposal	22,250	2,311	19,940
Total amount of radioactive waste	–		
Total amount of Waste generated	52,217	3,721	48,496
Total non-recycled & non-reused waste	44,514	2,944	41,570
% non-recycled & non-reused waste	85%	79%	86%

In 2024, Air France-KLM generated a total of 52 thousand tons of waste, of which 30 thousand tons were diverted from disposal and 22 thousand tons were directed to disposal. A total of 45 thousand tons of waste were not recycled or reused, representing 85% of the total waste generated in the Group's operations. It should be noted that following changes in reporting scope (mainly inclusion of catering and cabin waste), the figures reported for 2024 cannot be compared with the amounts of waste reported by the Group over the past years.

4.2.4 The European Taxonomy

4.2.4.1 General Framework of the European Taxonomy

In this section, AFKL publishes the annual information required by the Taxonomy Regulation (EU2020/852) and by the delegated acts adopted for its application. This foundational text is part of the goal of carbon neutrality by 2050 defined in the European Green Deal. As an integral part of the European sustainable finance policy, this regulation aims to direct capital flows and investments towards sustainable activities as defined by the European Commission. Thus, this classification system is intended to provide companies and investors with a common language to identify to what extent economic activities can be considered environmentally sustainable.

Review of the regulatory context

The following publication has been prepared in accordance with the texts below describing the implementing rules for Taxonomy reporting:

- Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088;
- Delegated Regulation (EU) 2021/2139 of the Commission of June 4, 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council (Climate Delegated Act);
- Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021 referred to as Article 8, specifying the application modalities of the provisions of Article 8 of the Taxonomy Regulation;
- Delegated Regulation (EU) 2022/1214 of the Commission of March 9, 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors (nuclear and gas);
- Delegated Regulation (EU) 2023/2485 of the Commission of June 27, 2023 amending Delegated Regulation (EU) 2021/2139 on climate annexes (notably modifying Appendix C) and **in particular introducing air transport activities**;
- Delegated Regulation (EU) 2023/2486 of the Commission of June 27, 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council introducing the four new environmental objectives.

Additionally, the following reference documents are included:

- the documents listing the various frequently-asked questions (FAQs) with their answers and the Staff Working Document published since February 2022 by the European Commission to clarify the content of the delegated acts and facilitate their implementation.

General principles

The Taxonomy Regulation lists economic activities considered environmentally sustainable. To be aligned, they must meet four cumulative conditions: be eligible (described in the delegated regulations), make a substantial contribution (SC) to one of the six environmental objectives below, do no significant harm (DNSH) to the other five, and comply with minimum safeguards regarding human rights, anti-corruption, taxation, and competition law.

The six environmental objectives are as follows:

- climate change mitigation (CCM);
- climate change adaptation (CCA);
- sustainable use and protection of water and marine resources (WTR);
- transition to a circular economy (CE);
- pollution prevention and control (PPC);
- protection and restoration of biodiversity and ecosystems (BIO).

In this context, companies must report the share of their turnover, capital expenditure (CapEx), and operational expenditure (OpEx) associated with "eligible" economic activities as well as the "aligned" share with the six environmental objectives.

Evolution of the scope for the Air France-KLM Group

Starting from the 2021 fiscal year, the progressive implementation of the Taxonomy stipulated that only climate-related objectives (CCM and CCA) needed to be reported. Then, the European Commission published the environmental delegated act on the four other environmental objectives, as well as amendments to the climate delegated act introducing, among other things, **air transport**, which came into force starting from the 2023 fiscal year.

In this context, the scope of the Taxonomy reporting has gradually and then extensively evolved for the Group between 2021 and 2024.

Link with the Group's environmental strategy

The Group's ambition is to reduce its greenhouse gas emission (GHG) intensity by 30% by 2030 relative to 2019, in RTK Revenue Ton-Kilometers. This goal aligns with the "Well Below 2°C" objective as determined by the Paris Agreement signed in 2015 and validated by SBTi in November 2022. The Group plans to achieve this reduction through three main levers: renewing its fleet, incorporating SAF, and continuously improving operational measures. The Taxonomy regulation currently does not fully account for the actions implemented by the Group as part of its decarbonization strategy. Indeed:

- the renewal of the fleet with new-generation aircraft that consume less fuel is only partially recognized by the Taxonomy regulation, particularly through the application of a replacement ratio⁽¹⁾ which limits

the % alignment of the turnover generated by these aircraft. In addition, the new-generation aircraft that are contributing to the net growth of the fleet are not aligned with the Taxonomy;

- the purchase of SAF is only partially considered in the Taxonomy regulation. It is not considered a sustainable expenditure under the regulation and is not reported in the OpEx indicator at the numerator and denominator. However, the regulation stipulates that the use of SAF by new-generation aircraft is a substantial contribution criterion if it is possible to theoretically allocate them a minimum proportion of SAF (set at 9% in 2024) of their annual fuel consumption;
- operational efficiency measures (reducing aircraft weight, optimizing routes and flight plans, improving aircraft aerodynamics, etc.) are not or are very minimally tracked in the Taxonomy ratios.

4.2.4.2 Results

Main activities

Starting from the 2023 fiscal year, the European Commission has expanded the scope of the Taxonomy to include, under the objective of "climate change mitigation," aeronautical activities and more specifically activities 3.21 Manufacture and Maintenance of Aircraft, 6.19 Air Passenger and Freight Transport, and 6.20 Ground Handling Services for Air Transport, which are the three main activities of the Group. In 2023, only the eligibility of these three activities for Taxonomy needed to be evaluated, based on the activity descriptions and NACE codes specified in the delegated acts. In 2024, it is mandatory to report on the alignment of these new activities with the specific technical criteria defined in the EU regulation and to verify that they do not significantly harm other environmental objectives and are conducted in accordance with minimum safeguards.

Thus, the percentages of eligibility are significant for the Group. In 2024, they are at high levels both in terms of revenue (98.0%) and CapEx (94.8%) and considered OpEx⁽²⁾ (85.1%).

Individual Measures

In addition to the Group's main activities, the regulation allows for the evaluation of expenses related to ancillary activities (or individual measures) that substantially contribute to the objectives of climate change mitigation (CCM) or climate change adaptation (CCA), more broadly aimed at reducing greenhouse gas emissions. The

alignment of these activities is assessed according to the specific technical criteria defined in the EU regulation; they must not significantly harm other environmental objectives, and they must be conducted in accordance with minimum safeguards. They primarily concern activities 7.2 "Renovation of existing buildings", 7.3 "Installation, maintenance, and repair of equipment promoting energy efficiency", and 7.5 "Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings".

In 2023, the scope was expanded to activities contributing to the other four environmental objectives, based solely on eligibility analysis. Starting from the 2024 fiscal year, it is mandatory to report on both eligibility and alignment with the six environmental objectives.

Eligibility and Alignment Results for the 2024 Fiscal Year

The summary of the Group's eligibility and alignment results for the 2024 fiscal year is presented below, along with the reconciliation with the financial data from the consolidated accounts as of December 31, 2024 (paragraph 4.2.4.3).

Note: Double counting of activities and key indicators has been avoided by associating eligible revenue, capital expenditures, and operating expenses with a single eligible activity.

⁽¹⁾ The replacement ratio is calculated based on the proportion of aircraft permanently retired from operation compared to aircraft delivered globally, averaged over the previous ten years, as evidenced by verified data available from independent data providers. For 2024, it is 0.48, published on the EASA website and calculated from the Cirium database."

⁽²⁾ Definition of taxonomic OpEx.

SUMMARY OF THE BREAKDOWN OF ELIGIBLE AND ALIGNED ACTIVITIES

Activities	Turnover (in millions €)	Share of turnover %	CapEx (in millions €)	Share of CapEx %	OpEx (in millions €)	Share of OpEx %
2024						
Eligible activities	30,837	98.0%	4,970	94.8%	3,383	85.1%
Including aligned activities	7,250	23.0%	2,549	48.6%	736	18.5%
TOTAL (eligible and non-eligible)	31,459	100%	5,241	100%	3,974	100%
2023						
Eligible activities	29,393	97.9%	3,313	93.3%	3,189	95.9%
Including aligned activities	0	— %	53	1.5%	73	2.2%
TOTAL (eligible and non-eligible)	30,017	100%	3,551	100%	3,325	100%

Evolution compared to the previous year

Alignment rates were low in 2023, given that only individual measures had been evaluated against alignment criteria, notably construction and real estate renovation activities. In 2024, the changes are mainly related to the expansion of the regulatory scope and the alignment of activities 3.21, 6.19, and 6.20. As a result, the alignment percentages significantly evolved between these two years for the three KPIs: revenue, CapEx, and OpEx. There were no other major changes during this period such as an increase in activity volume or the acquisition of new activities, nor any methodological changes for the qualification of activities and/or the identification of eligible/aligned financial aggregates.

Revenue

Eligibility result

The **eligible** share of the Group's revenue for 2024 amounts to 98.0% out of a total consolidated revenue of €31,459 billion. It remained stable between 2023 and 2024, as almost all of the Group's activities fell within the scope of the European Taxonomy as early as 2023, which explains a significant eligibility percentage.

The Group's eligibility rate is primarily driven by the air transport activity, including the **Network** business sectors (passenger and cargo transport on regular flights with Group airline codes, excluding Transavia), **Transavia** (leisure passenger transport operated by Transavia), and **Maintenance** (maintenance services provided to the Group and other airlines and clients worldwide). These activities are described in Note 6 "Segment information".

Alignment result

In 2023, the regulations did not require an alignment analysis of the revenue for activities 3.21, 6.19, and 6.20 introduced by regulation 2023/2485, resulting in a 0% ratio for 2023.

In 2024, the alignment percentage of the revenue amounts to 23%, limited regarding the eligibility (98.0%) because the alignment criteria for aeronautical activities 3.21 and 6.19 are very strict and only **new-generation aircraft** can be fully or partially aligned (see below in 4.2.4.4 the criteria for substantial contribution, particularly the application of the replacement ratio and the required % of SAF).

CapEx

Eligibility result

The Group's eligibility ratio remained stable between 2023 and 2024 and stands at 94.8%. Since 2023, almost all of the Group's activities have fallen within the scope of the European Taxonomy, which explains a significant eligibility percentage.

Alignment result

In 2023, the regulations did not require an alignment analysis for activities 3.21, 6.19, and 6.20 introduced by regulation 2023/2485. Therefore, only the individual measures related to real estate activities generated an alignment of 1.5% of CapEx.

In 2024, the alignment percentage stands at 48.6% and is mainly driven by activities 6.19 and 3.21. According to regulation (EU) 2023/2485, only the acquisition of assets related to new-generation aircraft (not limited by the replacement ratio) can be considered aligned. The regulation, in its recital (11), specifies that the replacement ratio only applies to the calculation of revenue generated by activities that meet the substantial contribution criteria.

OpEx

Eligibility result

The Group's eligibility ratio stands at 85.1% for 2024. Since 2023, almost all of the Group's activities have fallen within the scope of the European Taxonomy, which explains a significant eligibility percentage.

Alignment result

In 2023, the regulations did not require an alignment analysis for activities 3.21, 6.19, and 6.20 introduced by regulation 2023/2485. Therefore, only the individual measures related to real estate activities generated an alignment of 2.2% of OpEx.

In 2024, the alignment percentage stands at 18.5% and is mainly driven by the aeronautical maintenance activity. According to regulation (EU) 2023/2485, only maintenance expenditures (for own and third-party companies) related to new-generation aircraft (not limited by the replacement ratio) can be considered aligned. The regulation, in its recital (11), specifies that the replacement ratio only applies to the calculation of revenue generated by activities that meet the substantial contribution criteria.

Future developments

New-generation aircraft incorporate technological advancements that reduce fuel consumption and noise. The ongoing fleet renewal program over the coming years

should contribute to the improvement of the alignment indicators in the next fiscal periods. However, in the current absence of technologically and economically feasible low-carbon alternatives (electric or hydrogen aircraft), the Group's alignment percentages will remain limited.

The European Taxonomy has set ambitious levels for the incorporation of SAF, which emits less CO₂ than conventional fuel. The Group aspires to gradually increase its SAF incorporation percentage with a target of at least 10% SAF by 2030. The Taxonomy regulation has set very ambitious alignment criteria for 2030 in terms of SAF incorporation percentages:

- a minimum of 15% SAF (and +2% per year beyond) for the latest generation aircraft certified to be in capacity to operate with 100% SAF and which do not increase the fleet. This would be equivalent, for example, to 12% for the entire fleet if it consisted of 80% new-generation aircraft certified 100% SAF;
- a minimum of 21% SAF (and +2% per year beyond) for all latest generation aircraft (old generation aircraft will not meet the DNSH criteria and cannot be aligned with 21% SAF).

Under these conditions, the Group's alignment percentages will remain limited and will only partially represent the Group's financial and operational efforts for decarbonization.

4.2.4.3 Eligibility – Methodology for the construction of Revenue, CapEx, and OpEx Indicators

Reminder of the indicators and reconciliation with financial statements

The information provided within the framework of the European Taxonomy on key indicators concerning revenue, capital expenditure, and operating expenditures is based on the Group's consolidated financial information, as presented in the consolidated financial statements and prepared on the bases described in Note 1 "Basis of preparation of the consolidated financial statements" in section 5.3 "Notes to the consolidated financial statements". The methodology for calculating revenue, capital expenditure, and operating expenditure remains consistent with the previous period. Each eligible activity has been evaluated based on a materiality threshold for capital expenditures and operating expenditures, below which economic activities are considered non-significant for reporting purposes. The thresholds have been set based on absolute figures, taking into account the average value of transactions per economic activity. The CapEx threshold was set at €100,000, which represents 0.002% of the Group's total capital expenditure, while the OpEx threshold was set at €50,000, which represents 0.001% of the Group's total taxonomic operating expenditure.

Revenue

Definition

The share of revenue referred to in Article 8 of Regulation (EU) 2020/852 is obtained by dividing the portion of net revenue derived from products or services associated with eligible and aligned economic activities to the Taxonomy (**numerator**) by the net revenue (**denominator**) as reported in the consolidated financial statements prepared in accordance with European Regulation No. 1606/2002 of July 19, 2002, in compliance with IFRS (International Financial Reporting Standards) as adopted by the European Union and applicable as of the financial year-end date. Revenue mainly covers the activities of regular or leisure passenger transport and freight transport, as well as third-party aircraft maintenance. For the air transport activity, eligible revenues exclude commissions, additional booking revenues, fuel sales, currency hedging revenues, and the sale of non-air services.

Reconciliation

The total revenue (**denominator**) amounts to €31,459 million and corresponds to the amount reported in the Group's consolidated income statement.

CapEx

Definition

The **denominator** corresponds to the gross increase in tangible assets, intangible assets, and the new lease debts IFRS 16 (on leased assets), including scope entries for the fiscal year. Aircraft acquisitions subject to a sale and-leaseback (S&LB) transaction in the same fiscal year are adjusted to avoid double counting, once as an asset acquisition and once as a new operating lease contract. Advance payments for future deliveries are included in both the denominator and the numerator and can be assimilated to a CapEx plan within the meaning of the Taxonomy.

The eligible **numerator** is based on the capital expenditures included in the denominator and meet one of the following conditions:

- these expenditures are related to assets or processes associated with eligible economic activities to the Taxonomy (type a);
- these expenditures are part of a plan aimed at expanding economic activities aligned with the Taxonomy or enabling eligible economic activities to align with it (type b);
- these expenditures are related to the purchase of production from eligible economic activities to the Taxonomy and individual measures enabling the targeted activities to become low-carbon or result in reductions in greenhouse gas emissions or contribute to the four other environmental objectives (type c).

Reconciliation

The CapEx denominator can be reconciled with the consolidated financial statements by following the indications presented below:

(in million €)	2023	2024	Reconciliation with financial statements
Tangible and intangible assets	3,551	3,728	5.2.5 Consolidated statement of cash flows
Acquisition	3,551	3,728	Note 18 "Capital expenditures"
Change in lease debt ^(*)	751	1,513	Note 19 "Right-of-use assets & lease debt"
New lease contracts	1,041	1,435	New contracts
Modification of lease contracts	224	490	Renewals of contracts
Restatement S&LB on aircraft acquired during the year	-514	-412	
TOTAL	4,302	5,241	

(*) Not included in the denominator in 2023.

OpEx

Definition

The denominator is equal to the non-capitalized operating costs incurred by the Group, related to research and development activities, building renovation measures and their daily maintenance, purchases of aircraft maintenance consumables, personnel expenses related to these activities, and short-term lease contracts.

The eligible **numerator** includes operating expenses included in the denominator, which are related to the main activities and individual measures eligible for the Taxonomy.

Reconciliation

These expenses are included in the expenditures listed in Note 7 to the financial statements "External expenses", particularly the line for purchases and consumption of aircraft maintenance. The personnel costs for the Aircraft Maintenance division are included in Note 8 "Salaries and number of employees" Capitalized maintenance is included in Note 9 "Other current operating income and expenses" under the item capitalized production.

4.2.4.4 Alignment - Methodology for the Evaluation of Activities and the Construction of KPIs with Regard to Substantial Contribution (SC)

This section addresses the analysis of the alignment of eligible activities and the construction of aligned numerators.

Annexes I and II of the Commission Delegated Regulation (EU) 2020/852 of June 4, 2021, and Annex III of the Commission Delegated Regulation (EU) 2023/2486 of June 27, 2023, supplementing the Taxonomy Regulation, set out the environmental technical screening criteria that must be met for each eligible activity to be considered aligned with the six objectives. These criteria serve a dual purpose: verifying the substantial contribution of activities to each environmental objective and ensuring that these activities do not significantly harm any other environmental objectives.

The analysis of all the Group's activities was conducted in detail in collaboration with the CSR, financial, and legal departments, as well as the operational teams of each business. The review of eligible activities and their alignment was carried out in accordance with the above-mentioned delegated acts. The Taxonomy ratios were based on data from the consolidated financial statements for the year ended December 31, 2024, which were prepared in accordance with International Financial Reporting Standards as adopted by the European Union. They are presented at the Group level. The Group, by the nature of its activities, is primarily concerned with the objective of "climate change mitigation," which is one of the pillars of its environmental strategy.

The technical screening criteria were presented to each contributor during workshops starting in 2023 and continuing into 2024. For individual measures, each contributor filled out a personalized data collection matrix allowing for the reporting of eligibility data and the analysis of the different criteria identified for alignment—project by project or line of CapEx by line of CapEx. These matrices were then consolidated. For the main activities, the analysis was conducted in direct collaboration with the financial and sustainability teams, particularly for the analysis of DNSH (Do No Significant Harm).

Revenue

The aligned share of revenue corresponds to the operation of transportation (6.19) and maintenance (3.21) activities on new-generation aircraft that meet the criteria for substantial contribution and are limited by the application of the replacement ratio.

Activity 6.19 Passenger and Freight Air Transport: The criteria for substantial contribution apply to the operated aircraft. The new-generation aircraft operated by the Group are identified based on their energy efficiency and greenhouse gas emission performance compared to the new type ICAO margins (NT) and are divided into three classes of aircraft based on their maximum take-off weight. This analysis of the aircraft, complying with CO₂ emission, noise, and particulate emission (NO_x and nvPM) criteria, was conducted by internal experts and also in relation to the manufacturers. The list of aircraft thus obtained was compared with the report published by ICF (a specialist consultancy for the aviation industry) at the end of December 2024 ("EU Taxonomy for aviation eligible aircraft technology").

The alignment rate of qualified aircraft depends on their acquisition date. Those acquired before December 11, 2023, are systematically subjected to the replacement ratio (0.48 for 2024). Those acquired after December 11, 2023 count for :

- 1 if they replace an old-generation aircraft that has been permanently decommissioned, meaning it has been removed from the Group's fleet to be dismantled and can no longer be used for its initial purpose,
- 0.48 if they replace an old-generation aircraft that has been removed from the fleet, meaning it can be used by another air carrier,
- 0 if they contribute to the growth of the Group's fleet.
- The regulation also provides that the use of SAF by new-generation aircraft is a criterion for substantial contribution if it is possible to allocate a minimum SAF share (set at 9% in 2024) of their annual fuel consumption. Thus, the SAF consumed in 2024 by the Group's airlines could be theoretically allocated to new-generation aircraft, whose initial rate was limited to 0.48 or 0, in a proportion of 9% of their fuel consumption for 2024.

The Group's fleet has been analyzed aircraft by aircraft to assign each one, based on its acquisition date (before or after December 11, 2023), its generation (old or new-generation), and its theoretical use of SAF, a coefficient of 1, 0.48 or 0. The percentages of aligned aircraft are consolidated by type of haul (long-haul, medium-haul, regional, leisure, full freighters) and applied to the revenues generated by short & medium-haul, long-haul, leisure, and full freighters networks.

Note: Since medium-haul aircraft types can be operated on domestic or European routes, the revenues from short- and medium-haul networks have been combined to be attributed to the alignment percentage of the medium-haul and regional fleets.

In 2024, in terms of number of aircraft, 21.9% of the Group's fleet is aligned with the substantial contribution criteria defined by the European Commission's regulation 2023/2485 of June 27, 2023. The passenger and freight air transport activity on these aircraft generated aligned revenue of 22.4%.

Activity 3.21 Aeronautical Maintenance: The substantial contribution criteria apply to aircraft that undergo servicing or maintenance. These criteria qualify the servicing and maintenance of new-generation aircraft as aligned after applying the replacement ratio to the generated revenue. The activity has been analyzed by type of aircraft and/or engine maintained for third-party companies to determine the share of aligned revenue, which is systematically subjected to the replacement ratio (0.48 for 2024). The aeronautical maintenance activity for third parties on aligned aircraft generated aligned revenue of 0.7%.

Activity 6.20 Ground Handling Services for Air Transport:

The criterion for substantial contribution is the use of ground equipment that does not emit CO₂. It was not possible to evaluate the share of revenue generated by the ground handling activity for third-party companies, conducted with zero-emission equipment, as the revenue also includes services not related to these assets.

CapEx

The aligned share of investments amounts to 48.6% and corresponds to investments made to acquire and maintain a fleet of new-generation aircraft that meet the Taxonomy criteria.

Activity 6.19: Almost all of the aeronautical investments in 2024 are focused on new-generation aircraft (balance at delivery and pre-delivery payments) in relation to the Group's fleet renewal objective. Only a few modifications or extensions of operational leases concern old-generation aircraft.

Thus the new-generation aircraft acquired in 2024 (final payment) count as:

- 1 if they replace an old generation aircraft that as been removed from the fleet (the replacement ratio of 0.48 does not apply to CapEx) or permanently removed from use;
- 1 if they are allocated 9% SAF in their annual fuel consumption;
- 0 if they contribute to the growth of the Group's fleet and are not qualified with the SAF criterion.

The amounts of the final payment are tracked by registration and directly reflected in the accounts.

The alignment of pre-delivery payments was analyzed with regard to the medium-term fleet plan. In terms of methodology, the amounts of the prepayments are tracked by aircraft type and directly reflected in the accounts. They have been associated with the future inflow/outflow of aircraft, respectively, of new and old generations. PDP paid for future deliveries intended to replace old-generation aircraft are aligned at 100% (they will replace an aircraft that will be removed from the fleet or decommissioned) or 0% (future deliveries will increase the fleet).

The alignment percentage of activity 6.19 is 38.7% of the total CapEx.

Activity 3.21 Aeronautical Maintenance primarily involves older aircraft, and therefore, most of these are of an older generation that do not meet the criteria for substantial

contribution. As a result, the CapEx incurred for both the maintenance of the Group's aircraft (including capitalized maintenance) and the maintenance of third-party aircraft is aligned at 9.3% of the total CapEx.

The acquisition of spare engines was analyzed based on the engine type associated with an aircraft type. Capitalized maintenance work was either tracked to the aircraft family, or where this was not available, the fleet alignment percentage was applied.

Activity 6.20: The criteria for substantial contribution apply to ground equipment, lifting devices, and traction equipment at airports, with only electric equipment considered as aligned. Only the Paris and Amsterdam hubs conducted an inventory of electrically powered ground assets acquired in 2024. The alignment percentage for this activity is 0.3% of the total CapEx, representing €18 million in investments in zero-emission electric ground equipment acquired in 2024.

Activity 7 relating to real estate and energy efficiency

activities: for individual measures, each contributor filled out a personalized collection matrix to enable the reporting of eligibility data and the analysis of the various identified criteria for alignment – project by project or CapEx line by CapEx line. The criteria for substantial contribution apply to buildings that are renovated and/or equipped (e.g., with electric charging stations, renewable energy production systems) according to environmental and/or energy standards aligned with the Taxonomy.

In 2024, the alignment % for all the individual measures is 0.2% of the total CapEx.

OpEx

The aligned portion of the OpEx mainly corresponds to the maintenance activity (3.21) on new-generation aircraft that meet substantial contribution criteria. At the end of 2024, the alignment % of the maintenance activity is 18.2% of total Group taxonomic Opex.

Regarding aircraft maintenance expenses, an allocation key based on in-house activity and third-party activity was applied to the eligible costs (purchases of materials and equipment, labor costs). Then, for each of these two categories, the aligned portion was determined by applying an allocation key:

- based on the % of aligned revenue, for costs incurred for third-party activity;
- based on the % of fleet alignment for in-house activity.

4.2.4.5 Alignment - Methodology for the evaluation of activities with respect to the Do No Significant Harm (DNSH) Criteria

In the context of verifying compliance with cross-cutting DNSH, it should be noted that Air France and KLM are **ISO 14001 certified**: this is an international environmental certification standard defined by the International Organization for Standardization (ISO), which is a worldwide federation of national standardization bodies representing approximately 140 countries. It provides a framework defining rules for integrating environmental concerns into the organization's activities to control environmental impacts and thus reconcile the organization's operational requirements with environmental protection.

Compliance with these requirements necessitates the implementation of an environmental management system that includes:

- an environmental analysis to assess the current state of activities, applicable regulations, and the environmental impacts they cause;
- an environmental policy that includes a commitment to continuous improvement and pollution prevention, compliance with applicable environmental laws and regulations, and other requirements to which the organization subscribes;
- the organizational structure, planning activities, responsibilities, practices, procedures, processes, and resources to develop, implement, achieve, review, and maintain the organization's environmental policy.

The implementation of an environmental management system according to the ISO 14001 standard is based on a voluntary approach that should enable:

- better knowledge of the environmental impacts generated by the organization's activities;
- regulatory compliance to be guaranteed and future regulatory developments to be anticipated;
- practices to be improved within a logic of continuous progress towards reducing environmental impacts.

The environmental management system directly contributes to embedding the company's activities within a sustainable development framework.

Certification is obtained following an audit conducted by an accredited independent body. The subsequent maintenance of the certification is subject to regular (annual) verification of the system's compliance with the standard and the renewal (every three years) of the certification by an independent body.

Adaptation to Climate Change

The Group is aware of the risks associated with climate change on its activities. Consequently, the evaluation of the Group's business model's resilience to climate change is an integral part of the company's risk assessment, is monitored at the highest level of the Group, and is included in its strategic plans. In section 4.2.1 "Climate change (ESRS E1)", the Group details its Transition Plan in response to climate change.

In 2023, Air France-KLM conducted a climate risk assessment study and evaluated its impacts on the company's operations. In 2024, this assessment was updated to include the upstream and downstream value chain of the company. The long-term physical risk analysis thus conducted details the consequences on the Group's stations worldwide due to extreme weather events, impacting operational conditions, employee working conditions, and the commercial attractiveness of destinations. A list of 50 airports was studied along with five of the Group's main sites over short (2030), medium (2040), and long-term (2050) time horizons, with different climate warming scenarios (RCP 2.6 / RCP 4.5 / RCP 8.5).

Aircraft (key elements for alignment with the Taxonomy) are not subject to the identified risks as they are mobile assets and can be relocated to other destinations in the event of significant climate impacts on a station. The Group's adaptation plan, currently under development, will focus on medium and long-term adaptation measures for its network and schedule and the choice of other served destinations.

The study also demonstrated that ground assets at our hubs (Paris and Amsterdam) are not at risk in the medium term. Additionally, these two airports have conducted their own risk analyses on their infrastructures. In particular, studies conducted by ADP in 2023 and continued in 2024 attest to its proactivity in making Paris airports resilient to climate risks and that the actions undertaken and future actions aim to transform these challenges into opportunities, enhancing the sustainability, resilience, and operational performance of airport infrastructures.

Sustainable use and protection of aquatic and marine resources

Generic DNSH: Air France and KLM have implemented a risk management and solutions system on the topic of water through an Environmental Management System (EMS) certified ISO 14001. Various actions are being taken to reduce any impact on water resources, such as those described below.

Regarding **activity 3.21**, the aeronautical maintenance of the Air France group is carried out in accordance with the regulatory requirements of the prefectural decrees (decree of February 2, 1998) related to Classified Installations for Environmental Protection (ICPE). Industrial water is treated at three wastewater treatment plants for which discharge analyses are regularly conducted and transmitted to the supervising authority. For the KLM Group, water use and discharge operations are strictly regulated by internal procedures, particularly the "Register of Environmental Aspects". Transavia Netherlands outsources its engine washing activities to a provider who recycles 80% of the wastewater, which is filtered and then reused in the process. The remaining 20% is vaporized during the cleaning process.

Specific DNSH: Aircraft De-icing Procedures at Airports

– **Activity 6.20.** For the Air France Group, aircraft de-icing and anti-icing operations (whether performed in-house or subcontracted) are part of the rainwater treatment circuit at the Paris Airport (ADP) platforms, from the provision of used products to their collection and treatment. ADP has implemented an internal management system that ensures the use of the most environmentally friendly deicing products in terms of pollution, water resource preservation, and human health impact. ADP procedures are applied in compliance with ICPE (Classified Installations for Environmental Protection), the Water Law Committee, standards, and prefectural decrees. For the KLM Group, aircraft de-icing and anti-icing procedures meet aquatic resource preservation criteria and are integral parts of internal procedures.

Transition to a Circular Economy

Activity 3.21 Aeronautical Maintenance: Aircraft engines and components at the end of their lifecycle have their own life cycles. Relatively new or recently overhauled parts will not become waste but will be removed to serve other aircraft in compliance with regulations (EASA Part M and Part 145 as well as FAA regulations), requirements, form, fit, and function without compromising safety or reliability. The remaining parts and the airframe will be dismantled and recycled. To do this, the Group's airlines have enlisted specialized companies that comply with the strictest environmental standards, such as Tarmac Aerosave in France. Tarmac Aerosave recycles about 90% of the aircraft materials. Additionally, 8% are fluids, such as oils, which are reused to produce energy, leaving only 2% of the entire aircraft to be disposed of. Hazardous waste from maintenance activities is subject to a comprehensive tracking system and its management is harmonized across the different maintenance sites.

Thus, the requirements for waste categorization (including the isolation of hazardous waste), the treatment of hazardous waste with a particular process, the treatment of electronic waste with a specific process, and the sorting and recycling of the remaining waste are concerns throughout the operation of an aircraft and up to its end of life.

Activity 6.19 Air Transport of Passengers and Freight

During the utilization phase of the aircraft, the Group has implemented measures to manage onboard waste. The Group is committed to limiting waste and increasing the proportion of waste that is recycled or incinerated with energy recovery whenever possible. The Group manages various forms of waste from aviation operations by adhering to strict regulatory requirements. For instance, all entities in France are subject to a comprehensive traceability system in accordance with the decree of March 25, 2021, on waste traceability as transcribed in the Environmental Code (Articles R. 541-43 and R. 541-45). For more details on these actions, see section ESRS E5 of the Sustainability Statement.

Aircraft at the end of their service life are returned to their lessors or sold to third parties for continued operation. Aircraft at the end of their economic life are dismantled by the lessors, buyers, or under the management of the Group itself. Sales contracts for the aircraft include a clause specifying that the aircraft must be dismantled in accordance with the regulations of the country in which it is dismantled. In practice, the vast majority of aircraft are dismantled in EU countries as well as in the UK, where the prevailing regulations meet Taxonomy requirements.

Activity 6.20 Ground Handling Services for Air Transport:

For Air France, the equipment necessary for ground handling activities is subject to maintenance and overhaul throughout its operational lifecycle. End-of-life equipment (old airport ground support equipment, GSE) is decommissioned in France in compliance with regulatory requirements for waste management. The equipment can be scrapped or sold for dismantling and the recovery of spare parts for resale. Additionally, actions to retrofit thermal equipment with electric equipment, such as baggage conveyors and stairs, are encouraged.

KLM primarily operates leased ground equipment (vehicles and equipment) following the divestment of its subsidiary KES. In this context, it is the lessors who are required to have implemented circular economy measures.

Pollution prevention and control – compliance with Annex C of Regulation (EU) 2020/852

Regulation EU 2020/852 specifies in its Annex C the list of substances whose use or presence in the context of economic activity is restricted with regard to the Taxonomy."

The Group has established procedures that allow for the identification of the use or non-use of substances mentioned in Annex C and, in the case of use, to list them and justify their use either through national or European regulatory exemptions or by applying manufacturers' manuals:

- **These substances listed in paragraphs (a) to (d) of Annex C** are restricted under the Taxonomy. The substances listed in (a) to (d) are governed by European regulations, such as those on persistent organic pollutants (POPs) and the protection of the ozone layer, allowing exemptions where identified as necessary. The Taxonomy does not clearly mention the possibility of using these exemptions.
 - **Paragraph a)** The Group utilizes, under French and/or Dutch exemptions granted to civil aviation (exemption to Annex I of Regulation EU 2019/2021), two POPs (Persistent Organic Pollutants) necessary for the operation or maintenance of its aircraft, to the extent that no other solution is available under the same conditions of use and safety.
 - **Paragraph b)** The Group does not use any of the substances listed in Article 2 of Regulation (EU) 2017/852 concerning mercury and mercury compounds.

- **Paragraph c)** The Group uses a substance listed in Annexes I and II of Regulation EC 1005/2009 concerning substances that deplete the ozone layer. Its use is authorized by an exemption contained in the same regulation and is necessary for the maintenance and use of fire extinguishers on board aircraft.
- **Paragraph d)** The Group does not use any of the substances listed in Annex II of Directive (EU) 2011/65 concerning hazardous substances in electrical and electronic equipment.

In summary, despite the fact that the exemptions are not explicitly mentioned in the Taxonomy regulation, the Group considers that the alignment of its activities is not compromised by the use of these substances, which are essential to the sector's activities.

- **The substances listed in paragraph e) of Appendix C,** concerning the substances listed in Annex XVII of Regulation (EC) 1907/2006, are non-aligned with the Taxonomy unless the conditions set out in this annex are fully met. This regulation is more commonly known as REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals). The Group conducts its aeronautical maintenance activities in accordance with REACH regulations and confirms the use of substances listed in Annex XVII in compliance with the applicable restrictions.
- **The substances listed in paragraph f) of Appendix C,** concerning substances meeting the criteria of Article 57 of the REACH regulation (and identified in accordance with Article 59(1) of said regulation) and on the candidate list for authorization by ECHA (European Chemicals Agency), may be aligned if it can be demonstrated that no suitable replacement substances or technologies are available on the market and that they are used with respect for human health and the environment. These are more commonly known as SVHC (Substances of Very High Concern).
- **The substances listed in paragraph f') of Appendix C,** concerning other substances meeting the criteria of Article 57 of the REACH regulation and not yet on the candidate list for authorization by ECHA, whether on their own, in mixture or in articles, may be aligned if it can be demonstrated that their use is essential to the company, that no suitable replacement substances or technologies are available on the market and that they are used with respect for human health and the environment.

The procedures in place within the Group, which govern the conduct of maintenance, air transport, and ground handling operations, list all substances covered and not covered by the REACH regulation and their usage rules. They are regularly updated to account for substances that are candidates for authorization. The Group may use SVHCs (paragraph f) or other substances (paragraph f') in strict compliance with the requirements and recommendations of the aircraft manufacturers and in accordance with national and European air transport standards. If a compatible alternative exists with the manufacturers' guidelines, the Group will choose the least polluting substance. The Group can only replace a substance if it is authorized by the manufacturer's manual. When no alternative exists, the procedures in place provide strict guidelines for the use of the products,

particularly with regard to human health and environmental preservation.

In conclusion, Annex C of the Taxonomy regulation has been thoroughly analyzed for all the listed substances. The Group acknowledges the use of substances for which exemptions and usage conditions could be provided. The Group recognizes the uncertainties of the Taxonomy regulation regarding the use of exemptions. Under these conditions, the Group considers that the alignment of its activities is not compromised.

Pollution prevention and control – Compliance with noise and engine emission thresholds (NO_x, HC, CO)

Based on analyses conducted by internal experts and discussions with sectoral working groups, it was concluded that the new-generation aircraft comply with the noise and engine emission criteria required by regulations to be aligned, including Amendment 13 of Volume I (noise), Chapter 14 of Annex 16 of the Chicago Convention, as well as Amendment 10 of Volume II (engine emissions), Chapters 2 and 4 of Annex 16 of the Chicago Convention.

Protection and restoration of biodiversity and ecosystems (BIO)

The DNSH biodiversity concerns **activity 3.21 Aeronautical Maintenance**. Regulations require the identification of at-risk biodiversity areas and the implementation of actions to preserve, protect, or restore biodiversity and ecosystems.

The Aeronautical Maintenance activity does not belong to the categories listed in Annex II of Directive 2011/92/EU. An Environmental Impact Assessment (EIA) is not legally required.

Air France's maintenance conducts an "environmental sensitivity" assessment in accordance with its internal procedure, which describes the method of managing environmental risks as well as through the work required for ISO 14001 certification. The identification, conducted by Air France, of areas located inside or near biodiversity-sensitive areas is based on the INPN platform (National Inventory of Natural Heritage), which allows for the identification of areas concerned by Directive 2009/147 "Birds Directive" and 92/43/EEC "Habitats Directive." The evaluation work is documented in the file annexed to the internal procedure. Measures implemented to eliminate or reduce the impact of an identified environmental risk during this review are tracked in a specific tool. Measures are implemented to eliminate or reduce the impact of environmental risks identified during this review. The traceability of actions is ensured through internal tools, including the Evalutéo tool, as well as within the framework of the environmental management system certification of Air France according to the ISO 14001 standard.

KLM operates its maintenance activities at Schiphol Airport. The airport is required to obtain a permit for its activities under the Nature Conservation Act in the Netherlands. The Dutch government has issued this permit to Schiphol after analyzing the airport's activities and their impact on biodiversity-sensitive areas located nearby (Natura 2000 areas in the Netherlands). According to this report, it is concluded that the maintenance activities did not affect these areas.

4.2.4.6 Alignment - Methodology for the evaluation of activities with respect to Minimum Safeguards (MS) Criteria

The Group must comply with minimum safeguards in terms of social rights and governance, as defined by the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. These safeguards include respect for human rights and labor standards, respect for consumer interests, combating corruption and aggressive tax practices, and compliance with competition rules. Compliance with these minimum safeguards has been assessed in relation to the criteria set out in the European Taxonomy Regulation (EU 2020/852), Articles 3 and 18, aligned with international standards.

The Group recognizes and applies international standards applicable to legal entities in terms of ethics and compliance, including the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises, the fundamental conventions of the International Labour Organization (ILO), and the UNICEF Children's Rights and Business Principles. The Group has followed the recommendations outlined in the final report of the PSF (Platform on Sustainable Finance) on the minimum safeguards concerning the recommendations of Member States. This also extends to compliance with due diligence regarding human rights. This includes the protection of human rights and the fight against all forms of child labor and forced labor, combating corruption, tax fraud, and tax evasion, as demonstrated by the implementation of due diligence on these four issues, as required by the PSF final report. The mapping of due diligence elements is presented in Chapter 3, "Risks and Risk management".

The Group has implemented a supplier evaluation policy to comply with applicable regulations in terms of business compliance and ethics. In this context, if violations are detected, an action plan is developed, if necessary, before or at the end of the contract.

With regard to the increased risk of exposure to complaints of greenwashing, the Group is doing its utmost to comply with European regulations on unfair commercial practices, particularly in the context of the application of Directive 2005/29/EC of the European Parliament and of the Council of May 11, 2005.

In terms of competition law, an annual and mandatory training program for employees has been in place for several years, particularly following the anti-trust litigation in the air freight sectors (see the chapter on financial risks for more details). The Competition Law Compliance Manual for employees emphasizes the objectives of integrity and transparency and contains instructions on preventing anti-competitive agreements and abuse of market power. Proposed alliance and commercial cooperation projects are reviewed and analyzed in advance by the legal department responsible for competition law issues to evaluate their feasibility and any potential commitments required for their implementation.

In terms of anti-corruption prevention, the Anti-Corruption Code of Conduct and its corresponding policies affirm the commitment of the Air France-KLM Group to conduct its business with loyalty, fairness, transparency, honesty, and integrity and in strict compliance with anti-corruption laws wherever its subsidiaries operate. The Anti-Corruption Code of Conduct sets out guidelines for preventing corruption, identifying and handling high-risk situations in light of anti-corruption legislation, with examples drawn from risk mapping or reported dilemmas. These documents are regularly reviewed to be updated and improved whenever deemed necessary.

Elements relating to risk mapping, the mitigation measures taken and the system for monitoring the measures deployed can be found in Chapter 3 of this Universal Registration Document. Elements relating to internal control and the prevention of these risks are also included in Chapter 3.

EU Taxonomy Results Over FY 2024

See the table below for the results of this assessment and the share of eligible and aligned activities. The full table as prescribed in Annex II of Commission Delegated Regulation 2021/2178 is presented later in this section.

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	23.0%	98.0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	48.6%	94.7%
CCA	0%	0.1%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	18.5%	85.1%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering the 2024 year

Financial year 2024	2024			Substantial Contribution Criteria				
Economic Activities	Code	Turnover €m	Proportion of turnover, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy
A. TAXONOMY-ELIGIBLE ACTIVITIES								
A.1. Environmentally sustainable activities (Taxonomy-aligned)								
Manufacture & maintenance of aircraft	CCM 3.21	219	0.7%	Y	N/EL	N/EL	N/EL	N/EL
Air passenger and freight transport	CCM 6.19	7,031	22.4%	Y	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		7,250	23.0%	23.0%	0%	0%	0%	0%
Of which Enabling		0	0.0%	0.0%	0%	0%	0%	0%
Of which Transitional		7,250	23.0%	23.0%				
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)								
Manufacture & maintenance of aircraft	CCM 3.21	1,867	5.9%	EL	N/EL	N/EL	N/EL	N/EL
Air passenger and freight transport	CCM 6.19	21,239	67.5%	EL	N/EL	N/EL	N/EL	N/EL
Ground handling services for air transport	CCM 6.20	481	1.5%	EL	N/EL	N/EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		23,586	75.0%	75.0%	0.0%	0.0%	0.0%	0.0%
A. Turnover of Taxonomy eligible activities (A.1+A.2)		30,837	98.0%	98.0%	0.0%	0.0%	0.0%	0.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES								
Turnover of Taxonomy-non-eligible activities		622	2.0%					
TOTAL (A. + B.)		31,459	100%					

DNSH criteria ('Does Not Significantly Harm')									
Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2023	Category enabling activity
									Category transitional activity
N/EL		Y	Y	Y	Y	Y	Y		T
N/EL		Y	Y	Y	Y	Y	Y		T
0%		Y	Y	Y	Y	Y	Y		
0%									E
									T
N/EL								5.7%	
N/EL								90.7%	
N/EL								1.5%	
0.0%								97.9%	
0.0%								97.9%	

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024		2024		Substantial Contribution Criteria				
Economic Activities	Code	CapEx €m	Proportion of CapEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy
A. TAXONOMY-ELIGIBLE ACTIVITIES								
A.1. Environmentally sustainable activities (Taxonomy-aligned)								
Manufacture & maintenance of aircraft	CCM 3.21	488	9.3%	Y	N/EL	N/EL	N/EL	N/EL
Construction, extension, & operation of water collection, treatment & supply system	CCM 5.1	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Air passenger & freight transport	CCM 6.19	2,029	38.7%	Y	N/EL	N/EL	N/EL	N/EL
Ground handling services for air transport	CCM 6.20	18	0.3%	Y	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	0	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	0.4	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of energy efficiency equipment	CCM 7.3	10	0.2%	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of charging stations for electric vehicles in buildings	CCM 7.4	0.2	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of renewable energy technologies	CCM 7.6	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2,549	48.6%	48.6%	0.0%	0.0%	0.0%	0.0%
Of which Enabling		12	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%
Of which Transitional		2,518	48.0%	48.0%				
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)								
Demolition & wrecking of buildings & other structures	CE 3.3	0.3	0.0%	N/EL	N/EL	N/EL	N/EL	EL
Manufacture & maintenance of aircraft	CCM 3.21	1,452	27.7%	EL	N/EL	N/EL	N/EL	N/EL
District heating / cooling distribution	CCM 4.15	2	0.0%	EL	N/EL	N/EL	N/EL	N/EL
Transport by motorbikes, passenger cars & light commercial vehicles	CCM 6.5	9	0.2%	EL	N/EL	N/EL	N/EL	N/EL
Air passenger & freight transport	CCM 6.19	606	11.6%	EL	N/EL	N/EL	N/EL	N/EL
Ground handling services for air transport	CCM 6.20	58	1.1%	EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	215	4.1%	EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	65	1.2%	EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCA 7.2	3	0.1%	N/EL	EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of energy efficiency equipment	CCM7.3	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of charging stations for electric vehicles in buildings	CCM 7.4	0.3	0.0%	EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of instruments & devices for measuring, regulation & controlling energy performance of buildings	CCM7.5	0.5	0.0%					
Data processing, hosting & related activities	CCM 8.1	9	0.2%	EL	N/EL	N/EL	N/EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2,422	46.2%	46.1%	0.1%	0.0%	0.0%	0.0%
A. CapEx of Taxonomy eligible activities (A.1+A.2)		4,970	94.8%	94.7%	0.1%	0.0%	0.0%	0.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES								
CapEx of Taxonomy-non-eligible activities		271	5.2%					
TOTAL (A. + B.)		5,241	100%					

[illegible]

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	2024			Substantial Contribution Criteria				
Economic Activities	Code	OpEx €m	Proportion of OpEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy
A. TAXONOMY-ELIGIBLE ACTIVITIES								
A.1. Environmentally sustainable activities (Taxonomy-aligned)								
Manufacture & maintenance of aircraft	CCM 3.21	722	18.2%	Y	N/EL	N/EL	N/EL	N/EL
Collection & transport of non-hazardous waste in source segregated fractions	CCM 5.5	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Operation of personal mobility devices, cycle logistics	CCM 6.4	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of energy efficiency equipment	CCM 7.3	11	0.3%	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of charging stations for electric vehicles in buildings	CCM 7.4	0.3	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of instruments & devices for measuring, regulation & controlling energy performance of buildings	CCM 7.5	0.3	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of renewable energy technologies	CCM 7.6	0.03	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Data driven solutions for GHG emissions reductions	CCM 8.2	0.5	0.0%	Y	N/EL	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		736	18.5%	18.5%	0.0%	0.0%	0.0%	0.0%
Of which Enabling		13	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%
Of which Transitional		722	18.2%	18.2%				
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)								
Manufacture & maintenance of aircraft	CCM 3.21	2550	64.2%	EL	N/EL	N/EL	N/EL	N/EL
Demolition & wrecking of buildings & other structures	CE 3.3	1	0.0%	N/EL	N/EL	N/EL	N/EL	EL
District heating/cooling distribution	CCM 4.15	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL
Transport by motorbikes, passenger cars & light commercial vehicles	CCM 6.5	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL
Air passenger & freight transport	CCM 6.19	77	1.9%	EL	N/EL	N/EL	N/EL	N/EL
Ground handling services for air transport	CCM 6.20	3	0.1%	EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	12	0.3%	EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of energy efficient equipment	CCM 7.3	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of charging stations for electric vehicles in buildings	CCM 7.4	0.03	0.0%	EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance & repair of instruments & devices for measuring, regulation & controlling energy performance of buildings	CCM 7.5	0.3	0.0%	EL	N/EL	N/EL	N/EL	N/EL
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2,646	66.6%	66.6%	0.0%	0.0%	0.0%	0.1%
A. OpEx of Taxonomy eligible activities (A.1+A.2)		3,383	85.1%	85.1%	0.0%	0.0%	0.0%	0.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES								
OpEx of Taxonomy-non-eligible activities		591	14.9%					
TOTAL (A. + B.)		3974	100%					

DNSH criteria ('Does Not Significantly Harm')										
Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2023	Category enabling activity	Category transitional activity
	N/EL	Y	Y	Y	Y	Y	Y			T
	N/EL	Y	Y	Y	Y	Y	Y	0.02%		
	N/EL	Y	Y	Y	Y	Y	Y	0.03%		
	N/EL	Y	Y	Y	Y	Y	Y	1.3%	E	
	N/EL	Y	Y	Y	Y	Y	Y	0.1%	E	
	N/EL	Y	Y	Y	Y	Y	Y	0.3%	E	
	N/EL	Y	Y	Y	Y	Y	Y	0.2%	E	
	N/EL							0.0%	E	
	N/EL	Y	Y	Y	Y	Y	Y	0.04%	E	
	0.0%	Y	Y	Y	Y	Y	Y	1.9%		
	0.0%	Y	Y	Y	Y	Y	Y	1.9%	E	
		Y	Y	Y	Y	Y	Y	–%		T
	N/EL									
	N/EL									
	N/EL									
	N/EL									
	N/EL									
	N/EL									
	N/EL									
	N/EL									
	N/EL									
	N/EL									
	0.0%							93.7%		
	0.0%							95.7%		

NUCLEAR AND FOSSIL GAS-RELATED ACTIVITIES

Line	Nuclear energy activities	
1	The Company carries out, finances or is exposed to research, development, demonstration and deployment of innovative installations for producing electricity from nuclear processes with a minimum of waste from the fuel cycle.	NO
2	The Company is involved in, finances or is exposed to the construction and safe operation of new nuclear power or process heat production facilities, including for district heating or industrial processes such as hydrogen production, including their safety upgrades, using the best available technology.	NO
3	The undertaking carries on, finances or is exposed to the safe operation of existing nuclear installations for the production of electricity or process heat, in particular for district heating purposes or for industrial processes such as the production of hydrogen, using nuclear energy, including their safety upgrades.	NO
Fossil gas activities		
4	The Company engages in, finances or is exposed to the construction or operation of facilities for the production of electricity from gaseous fossil fuels.	NO
5	The Company engages in, finances or is exposed to the construction, refurbishment and operation of combined heat/cooling and electricity production facilities using gaseous fossil fuels.	NO
6	The Company engages in, finances or is exposed to the construction, refurbishment or operation of heat production facilities that produce heat/cooling from gaseous fossil fuels.	NO

4.3 SOCIAL INFORMATION

4.3.1 Own workforce (ESRS S1)

The Air France-KLM employees, present all over the world, are the Group's main asset; they bring to life the Group's brands and are its face to customers. Thanks to their collective commitment and professionalism, the Group is able to offer its customers high-end services and a caring journey, promoting lasting relationships while operating its activities efficiently and safely. Air France-KLM aims to provide one of the best places to work, by creating a safe and motivating environment for employees and by monitoring their engagement. The Group continues to invest in human capital development, to develop the skills of employees and empower them, to foster diversity and develop inclusion, and to enable them to exceed customer expectations.

The relationship that links the Air France-KLM Group to its employees is based on four values: trust, respect, transparency, and confidentiality.

Each policy mentioned in the following sections regarding our own workforce is under the responsibility of the EVP Human Resources of each company of the Group.

The metrics related to Air France-KLM's own workforce are reported in headcounts, based on the contractual relationship with the entity under which they are reported. The metrics are analyzed at the reference date, which is the last day of the reporting period (December 31 of the year), unless specified otherwise.

4.3.1.1 Characteristics of Air France-KLM employees (S1-6)

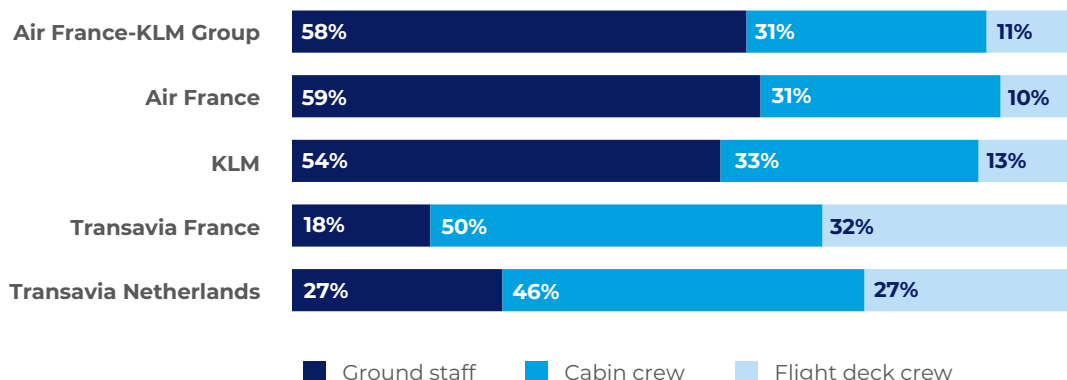
The characteristics of Air France-KLM employees are detailed in the following tables, presenting the total number of employees with the relevant breakdown, as per the ESRS requirements and the common practices for social reporting in the airline industry.

Total number of employees

Employees are the individuals in an employment relationship with one of the entities consolidated in the Air France-KLM Group, according to national law or practice. It includes all employees who perform work for any entity consolidated in the Group's sustainability statement.

This table below shows the total number of employees of the Group, split by staff category, and those of its four main airlines:

Staff Category	2024				
	Air France-KLM Group	Air France	KLM	Transavia France	Transavia Netherlands
Ground staff	51,626	26,651	15,479	564	754
Cabin crew	27,289	13,643	9,292	1,589	1,292
Flight deck crew	10,194	4,333	3,586	1,035	762
Total	89,109	44,627	28,357	3,188	2,808



Reconciliation with the financial statements

The total number of employees as reported in the sustainability statement (in headcount) is reconciled with the average number of employees reported in the financial statements (reported in full-time equivalent) in the table below:

	2024
Total number of employees at the closing date (in headcount)	89,109
Difference in scope and methodology	(8,379)
Average number of employees over the period (in FTE)	80,730

Breakdown of employees per region and country

In compliance with ESRS 2 SBM-1 40 a) iii) and SI-16 requirements, and consistently with its management practices, Air France-KLM discloses the number of employees in the six geographical regions where it operates. Detail is given at the country level where the Group has a significant employment level, defined as at least 10% of the total number of employees and a minimum of 50 employees.

Employees are reported in the country where the law managing their work contract is applicable.

As an international group with centrally managed functions, Air France-KLM only has significant employment in its two home countries, France and the Netherlands, representing over 90% of the total number of employees. The remaining 10% of the workforce is based in more than 100 countries, spread throughout the following regions:

Country	2024
France	48,131
The Netherlands	32,882
Region	
Europe (excl. France & the Netherlands)	2,495
Asia & Middle East	1,786
North America	1,224
Caribbean & Indian Ocean (incl. French & Dutch overseas territories)	1,135
Central & Latin America	813
Africa	643
Total	89,109

Breakdown of employees per employment type

For the breakdown per employment type, a distinction has been made between permanent employees, temporary employees, and non-guaranteed hours employees. As the definitions may differ by country, the national laws managing the employment contract are leading.

Employment type	2024					
	Total	Total %	Female	Male	Other	Not Disclosed
Permanent employees	82,343	92.4 %	37,195	45,146	1	1
Temporary employees	6,594	7.4 %	3,330	3,264	–	–
Non-guaranteed hours	172	0.2 %	67	105	–	–
Total	89,109	100.0 %	40,592	48,515	1	1

In 2024, Air France-KLM had more than 92% of its employees on a permanent contract, with no significant difference between female and male.

Employee turnover

Employee turnover is calculated by dividing the number of employees who have left the company during the reporting period, irrespective of the reasons, by the total number of employees at the end of the reporting year.

Employee Turnover	2024
Number of employees who have left during the reporting period	6,687
Total number of employees at the end of the period	89,109
Employee turnover rate	7.5 %

The employee turnover rate of Air France-KLM was 7.5% at the end of 2024.

4.3.1.2 Interest and views of stakeholders (ESRS2 SBM-2)

To understand how Air France-KLM engages in a dynamic dialogue with its stakeholders, considering their perspectives through multiple channels, please refer to the more detailed information provided in section 4.1.2.2 “Interest and views of stakeholders (ESRS2 SBM-2)”.

4.3.1.3 Social Dialogue

4.3.1.3.1 Material IROs – Social dialogue (ESRS2 SBM-3)

Please find in the table below the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Social dialogue with Air France- KLM staff	P: Social dialogue through workers' representatives has a positive impact on working conditions for Air France-KLM workers	OO	R: Financial risks as a result of negotiations on labor agreements, social conflicts or strikes	short/medium

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 “Process to identify and assess material impacts, risks and opportunities (IRO-1)”.

4.3.1.3.2 Policies – Social dialogue (S1-1)

The Group respects freedom of association, the right to collective bargaining, and the right of all employees to form or join trade unions in accordance with local law.

The Group endeavors to comply with and promote the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and its fundamental conventions.

The Human Resources leaders of each entity of the Group ensure the promotion of social dialogue.

In addition, the Group's European Works Council brings together the representatives of staff whose head offices or entities are based in the European Community.

Throughout 2024, the negotiation of agreements in the different airlines of the Air France-KLM Group continued to respond to the health, inclusion, and financial performance challenges leading to the need for reactivity and flexibility.

4.3.1.3.3 Processes in place to engage with own workers and workers' representatives – Social dialogue (S1-2)

The Group communicates and negotiates actively with employees and their representatives to continually enhance the workplace, including through the development of collective agreements.

As a sign of top management's commitment to engage with its own workers, on regular basis, Benjamin Smith (Chief Executive Officer of Air France-KLM), Marjan Rintel (KLM's President & Chief Executive Officer), and Anne Rigail (Air France's Chief Executive Officer) hold regular meetings with employees at the various sites to engage in dialogue on current topics.

4.3.1.3.4 Channels for own workers to raise concerns - Social dialogue (S1-3)

All airline entities of the Group organize regular meetings with their employee representatives and works councils. Employees can reach out to worker representatives at any time to address any type of concern.

4.3.1.3.5 Targets – Social dialogue (S1-5)

The target is to maintain regular meetings of the work council during the year, in mutual trust and respect, and keep on negotiating major agreements for the companies of the Group, covering all employees.

4.3.1.3.6 Action plans in place or planned – Social dialogue (S1-4)

Instances of social dialogue

In 2024, Air France conducted two meetings with the French Group Works Council, two meetings with the European Group Works Council, 13 meetings with the Central Social and Economic Committee (CSEC), and dozens of meetings at the various establishments.

KLM convened 10 meetings with the works councils, four consultation meetings with other employee representatives, and 10 with the Health and Safety Committees.

In total, during 2024, Transavia Netherlands convened 12 meetings of the works councils and four of the Health and Safety Committees, and Transavia France convened 13 meetings of the works councils and 12 of the Health and Safety Committees.

These interactions testify to the intensive dialogue between the employer and the staff representatives, essential to adapting to the challenges the Company and the sector are facing.

Major agreements

At Air France, wage negotiations with the Air France unions led to an agreement in February on wage measures for 2024. With regard to value sharing, two agreements on profit-sharing and incentive plans were signed in June.

Following the announcement in October 2023 of the reorganization of the domestic network, an agreement was signed with the pilots' trade unions and with the ground staff trade unions to specify the support to be provided to the employees.

In addition, a three-year agreement on the forward-looking management of jobs and career paths and an agreement on categorical measures for ground staff were signed in early 2024. Agreements on working conditions were signed in February 2024 for cabin crew and in October 2024 for pilots.

At the end of 2024, discussions were launched on professional equality between men and women, career paths for ground staff representatives, quality of life at work, and working conditions for ground staff, as well as the time-savings account for cabin crew.

At KLM in 2023, three collective labor agreements were signed with the ground staff, cabin crews, and flight deck crews, which included a wage increase over the period from March 2023 to February 2025. Defining a minimum monthly increase, KLM set a high social standard in the Dutch market, enabling the operational functions with the lowest salaries to receive a salary increase of up to 12.5% for 2023, not far from the inflation rate.

In addition, these agreements further improve working conditions, with a revised senior policy, commuting facilities, compensation for working from home, and regulations regarding work and rest times. All these measures positively impact the Group's employees.

Transavia Netherlands made arrangements with labor unions about four collective agreements, three of which were renewed in the second half of 2024, for cabin, flight deck, and ground staff. These agreements improved wages and measures to address work pressure and continued to take steps toward a sustainable mobility policy and an inclusive collective agreement. Through the agreements signed, Transavia Netherlands is investing in the employment conditions of today and tomorrow.

Transavia France signed a new "life quality at work and working conditions" agreement in April 2024 for all ground and cabin crew employees. Transavia received the Social Dialogue Trophy from the ONDS (*Observatoire pour un nouveau dialogue social*) for this agreement.

4.3.1.3.7 Metrics – Social dialogue (S1-8)

Collective bargaining and social dialogue coverage

The coverage rate for collective bargaining is an indicator of the proportion of employees to whom one or more collective bargaining agreements apply.

The coverage rate for workplace representation shows the proportion of employees who are represented by trade union representatives or duly elected representatives.

The scope of the coverage rate for both collective bargaining and social dialogue covers the countries in the EEA where the Group has significant employment (see also 4.3.1.1 “Characteristics of Air France-KLM employees (S1-6) – Employees per country”).

The coverage rates are calculated by dividing the number of employees who are covered by the total number of Air France-KLM Group employees.

The following tables show the coverage rates for all employees, broken down by staff category for the Group, and coverage for collective bargaining and workplace representation specifically in France and the Netherlands:

Staff Category	Collective bargaining coverage	Social Dialogue Workplace representation
Ground Staff	98.6%	99.8%
Cabin Crew	100.0%	100.0%
Flight Deck Crew	100.0%	100.0%
Total	99.3%	99.9%

Coverage rate	Collective bargaining coverage Employees – EEA	Social Dialogue Workplace representation – EEA
80-100%	France The Netherlands	France The Netherlands

The total collective bargaining coverage is 99.3%, and the proportion of total employees represented by staff representatives is 99.9%.

4.3.1.4 Working conditions for Air France-KLM staff

4.3.1.4.1 Material IROs – Working conditions (ESRS2 SBM-3)

The following table shows the material impacts, risks, and opportunities covered in this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Working conditions for Air France-KLM staff	P: Well-positioned and protective employment conditions positively impact Air France-KLM workers' living conditions	OO	R: Financial risks as a result of low employee satisfaction leading to increase in staff costs, absenteeism or turnover	short/medium
	N: Air France-KLM workers work-life balance could be negatively impacted by working hours outside regular business hours (staggered shifts)			
	N: Air France-KLM workers could be exposed to physical harm in the workplace			

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.3.1.4.2 Policies – Working conditions (SI-1)

For the Air France-KLM Group, working conditions are a major priority that cannot be compromised.

Everyone working for or with the Air France-KLM Group has the right to a healthy and safe working environment that considers their physical and mental well-being.

In addition, the employee experience is a key element of its People strategy and a pillar of its Sustainable Development strategy. "Our people deliver our customer experience," and it is through this policy that the company can outperform its competitors. The roadmap ("Flight Plan") defining the strategic priorities aims to motivate employees through defined action plans.

4.3.1.4.3 Processes in place to engage with own workers and workers' representatives – Working conditions (SI-2)

Health and safety

Within Air France, the Health and Quality of Working Life and Multi-Risk departments are responsible for steering and coordinating the Health, Safety, and Quality of Working Life networks. These departments have representatives in all the Company's business units, enabling the coordinated deployment of the policy, actions, and objectives. Accident analysis is used to adjust the policy and actions designed to protect the health and safety of individuals. The monitoring of indicators ensures that the initiatives are continuously adapted.

At Air France, a network of committed players made up of doctors, psychiatrists, nurses, social workers, prevention officers, and Health, Safety and Quality of Life in the Workplace advisors supports employees on-site and cares for their well-being and health in the workplace in all entities of the company. They are the dedicated persons to be reached when a need to express any concern regarding health and safety in general is raised by an employee. They are also competent to cope with a potential harmful situation or question related to staggered shifts.

Air France is implementing several initiatives to monitor the mental health of its employees working under pressure and/or at home. Every month, a sample of 1,000 employees is surveyed to assess their levels of stress, depression, and anxiety. This psychosocial risk observatory is managed by the occupational medicine department, and the results of the survey are shared with the Executive Committee and the Central Health Committee, leading to the implementation of specific action plans.

KLM implemented a central Health Management System in 2024. This system creates a comprehensive and coordinated strategy to promote a healthy and safe working environment, with representatives from HR, the HR Center of Expertise Health, HR Reintegration, the Safety department, and KLM Health Services working together to optimize sustainable employability, prevent sick leave, and address absenteeism at an early stage.

In 2024, KLM expanded its MyHealth portal, which offers over 110 high-quality health interventions focused on seven health themes. These themes include vitality, physical well-being, addiction, nutrition, social well-being, mental well-being, and sleep. The interventions range from fitness activities and ergonomic workspaces to (online) courses on stress management, mindfulness, and access to counselling services. With the addition of new, high-quality interventions, the portal now provides an even more comprehensive range of support for employees.

Quality of life in the workplace

The Group is committed to providing flexibility by staff category, in keeping with business constraints, with a diversified and regularly evolving offer of flexible work arrangements: additional annual leave days compared to statutory entitlement; an additional year of parental leave possible at Air France, compared to applicable laws; flexibility of working hours (during professional life and in the years ahead of retirement); and the option to work from home in eligible positions.

At Air France, on a dedicated Learning Channel launched in the Summer of 2022, training content is offered to prevent psychosocial risks, addictive behavior, incivilities, harassment, and sexist behavior; organize teleworking; manage work-life balance; and create awareness about the right to disconnect. Videos, practical information sheets, and interactive courses are available. This digital training library encourages every employee to be a player in health and quality of life at work.

Employee engagement

Throughout the year, entities and divisions of the Group held multiple employee events to foster employee engagement. The events were interactive and informative to promote interaction between the employees. The Executive Committee members frequently held webcasts to connect with staff, keep them informed of relevant developments, and be available to answer any questions. In addition, the Human Resources departments multiplied their touch points with employees and managers.

To measure the level of employee engagement, Air France, KLM, and Transavia (France and Netherlands) use the Employee Promoter Score (EPS), the in-house equivalent of the Net Promoter Score, which measures the level of customer satisfaction. In the three companies, a rotating random selection of employees is regularly polled to ascertain whether they would recommend Air France, KLM, or Transavia as employers to their friends and family. The method enables (theoretically) all employees to express themselves about twice a year, and the results are shared with all staff.

4.3.1.4.4 Channels for own workers to raise concerns – Working conditions (S1-3)

Health and safety

Since 2021, for staff facing personal or professional difficulties, Air France has offered a completely anonymous and confidential psychological support and advice program with a 24/7 number (from an external company). A digital platform is also available on a computer, tablet and cell phone for rapid contact with a psychologist or access to psychological health information. In addition, in 2024, a new Air France psychiatrist was hired (bringing the number of Air France psychiatrists from 2 to 3), specializing in addictions.

A listening program dedicated to pilots and cabin crew was implemented in 2021: the Critical Incident Response Program facilitates the return to nominal functioning of people who have experienced critical incidents as part of their work. A dedicated program relying on peer support with specifically trained employees is available for aircrew experiencing professional fragility.

The association “*Amitié Entraide d’Air France*” (AEAF) helps employees in difficult situations due to addiction (alcohol or other drugs).

Health experts in the KLM business lines play a crucial role in identifying health issues and advise on and create customized health programs specifically designed or adapted to meet the business’s needs, preferences, and specifications. They provide insights into health-related problems in different target groups, follow emerging health/absenteeism trends, and help businesses make informed decisions when it comes to sustainable employability.

Quality of life in the workplace

All employees that would like to raise concerns regarding quality of life in the workplace can reach out to their managers and/or the prevention officers and/or the Health, Safety, and Quality of Life in the Workplace advisors, who are responsible for giving support and care for well-being and health in the workplace in all entities of the companies (see section 4.4.1.3 “Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4)”).

4.3.1.4.5 Targets – Working conditions (S1-5)

Health and safety

On an annual basis, Air France-KLM measures and reports the indicators related to health and safety at work: absenteeism, the number of workplace accidents, and the frequency rate and severity rate of workplace accidents (see section on “Health and Safety (S1-14)”). The target aims to maintain the lowest rates possible.

Quality of life in the workplace

Now more than ever, the strategy common to all the Air France-KLM Group businesses remains to foster employee commitment and motivation by offering employees working conditions that enable them to fulfill their professional duties effectively, whether they work staggered or regular shifts, and thus to contribute to the Group's performance.

Employee engagement

Everyone is responsible for creating a culture and environment in which every colleague feels comfortable and is supported in the right way to make a difference. Employee engagement is steered in all the teams and businesses.

With employee engagement being a key asset to the performance of the Group, a focus is placed on the recovery of the EPS in the long term. At the Group level, the consolidated EPS saw an overall decline between 2020 and mid-2022 and has been on a recovery trend since the Summer of 2022, albeit without yet reaching its pre-Covid-19 level.

In addition, the EPS score is taken into account in yearly assessments of a number of managers, including top management.

4.3.1.4.6 Action plans in place or planned – Working conditions (S1-4)

Health and safety

Air France-KLM continually adapts and enriches its health and safety preventive actions.

In 2024, Air France and its medical teams continued the intensification of prevention campaigns for employees' health, thanks to funding from Air France health insurance (MNPAF), and the “Prévoyance Social Action Fund.” This fund, in conjunction with an AXA provident fund, has financed the purchase of devices for Air France medical departments: rebound tonometers to screen for glaucoma, tympanometers, electrocardiographs (all Air France health departments are now equipped with one), and Tremoflos to screen for chronic obstructive pulmonary disease (COPD), to name but a few. These new devices will further strengthen preventive actions.

To enhance health, prevent work-related issues, and reduce long-term absence, KLM offers regular health checkups to employees through a personal vitality survey called “My Vitality Check” and a Preventive Medical Examination (PME).

In addition, within the Group, there are many and varied initiatives to promote physical activity and/or sports.

At Air France, the promotion of sports activities is carried out by the CSEs (Social and Economic Committees).

KLM promotes sports via traditional communication channels (e.g., NewsApp, My Health) and also organizes sports events for its employees, including a boot camp on the King's Day, a soccer tournament for the Flight Operations teams, and the fifth KLM Urban Trail in Utrecht.

KLM held a KLM-wide Vitality Week in September 2024 to raise employees' awareness of their health and well-being, primarily through online activities. Workshops, webinars, and challenges focus on topics like exercise, healthy eating, relaxation, and stress management. By participating online, employees can easily engage in boosting their vitality, both at work and at home.

Transavia Netherlands raised awareness during the Vitality Week in September 2024. Additionally, members of the health team attended two crew events in June and November where Transavia's offerings related to wellness themes such as sleep, nutrition, mental health, and physical well-being are highlighted.

Quality of life in the workplace

The Group is committed to providing as much flexibility as possible by staff category, in keeping with business constraints, with a diversified and regularly evolving offer of flexible work arrangements.

Both Air France and KLM offer the option for employees to work from home, if their position makes them eligible to do so.

In June 2024, the year of the Olympic Games, Air France organized the Quality of Life at Work Week, which included workshops designed and run by occupational health nurses on a variety of themes (sleep, health checkups, cardiovascular exercises, sports, sports equipment testing, etc.), an experimental course on the effects of alcohol and illicit substances on motor skills and attention span, and healthy menus in company restaurants. Following this week, traveling forums were held throughout the year at several of the company's sites.

In 2024, Transavia Netherlands evaluated the hybrid 2-3-2 working method introduced in 2022 in the office organization for all colleagues who do not work in operational positions or rosters and who, based on the requirements of their positions, (also) work from home. The office staff highly appreciate the ability to work in the office and from home. It contributes to a healthy work-life balance.

Employee engagement

The Air France-KLM Group's “Partners for the Future” shareholding plan, rolled out at the end of 2023, was a solid step in aligning all the teams toward improved performance and long-term value creation. It attracted 17,000 participants in 19 countries, a sign of strong engagement, as it represents approximately 22% of the total workforce of the Group and a total subscription amount of over €46 million.

Moreover, in order to enhance Employee Promoter Score (EPS), a comprehensive roadmap has been developed.

The involvement of Air France employees in the “*Mon Engagement Citoyen*” initiative is still going strong. Since its launch, 5,312 Air France employees have registered on the “*Mon Engagement Citoyen*” platform, testifying to the interest generated. In all, more than 1,600 employees have taken up at least one challenge or carried out a voluntary action (done during or outside work hours).

The Olympic and Paralympic Games held in Paris during Summer of 2024 provided the opportunity for Air France to share regular communications with employees to highlight expertise and pride in its professions. These communications also focused on the promotion of Diversity and Inclusion (D&I) topics. One thousand tickets were offered to the employees so that they could attend competitions and ceremonies, proving these sports events can also bring teams together.

Air France regularly updates its EPS survey in order to poll employees on various questions that help understand their expectations. Managers are strongly encouraged to listen to local needs and circumstances. They are given resources to find solutions to the local issues raised by employees and to co-construct improvement together, by monitoring irritants on the ground (availability of IT equipment, real estate problems, etc.), improving working conditions (reducing cabin dispensations, etc.), organizing moments of conviviality or celebration, etc. A dedicated budget is available to managers to help strengthen team cohesion.

In June 2024, KLM supplemented the weekly EPS measurement with “KLM Connect.” KLM Connect is still a weekly pulse survey that measures employee engagement, while also tracking progress on the priorities identified in the 2023 Employee Survey at both the KLM and divisional levels. KLM Connect consists of around 15

questions. This makes it possible to monitor progress between the biannual surveys and ensure continuous improvements are made. The results of KLM Connect can be accessed through the KLM Connect Dashboard in Qualtrics. All HR Business Partners, Engagement Leads, and Communication Business Partners have access to this dashboard and can share divisional results within their respective teams.

In addition to the biannual Employee Engagement Survey and the weekly KLM Connect pulse survey, an onboarding survey was introduced in January 2024. This survey is sent to all new KLM employees on their 5th and 90th working day. It helps gauge how new employees perceive their onboarding experience and identify areas for improvement.

Starting in November 2024, KLM is also launching an offboarding survey. This survey will make it possible to gather insights into why employees leave KLM, helping the Company to identify opportunities to improve retention. Starting in December 2024, the Engagement Leads will receive accounts in Qualtrics to send out division-specific surveys. These surveys will help gather more in-depth insights on topics that are relevant to their division and provide a deeper understanding of their engagement drivers. A communication toolkit has been created to support each division in maintaining regular communication.

At Transavia France, the results of the employee experience index demonstrate overall employee satisfaction, particularly with regard to the corporate project (a context of growth and transformation), pride in working for Transavia, the working atmosphere, and the work and responsibilities. As a result, Transavia is pursuing its actions around quality of life and working conditions (signature of an agreement in April 2024, awarded the Social Dialogue Prize the same year), team structuring, and talent retention and development.

4.3.1.4.7 Metrics – Working conditions (S1-10, S1-16, S1-14)

Adequate wages (S1-10)

Air France-KLM complies with the minimum wage laws in all the countries it operates. This ensures that all employees receive at least the legally mandated minimum compensation.

The Company adheres to employment standards and regulations that govern working hours, overtime pay, and

other wage-related issues. Air France-KLM applies an adequate wage strategy by balancing internal equity, market competitiveness, regulatory compliance, and additional benefits.

Total remuneration ratio (S1-16)

Annual total remuneration ratio

The annual total remuneration ratio is calculated based on the medians of the annual total remuneration of the employees of Air France, KLM, and the holding company Air France-KLM who work in France and the Netherlands.

The medians are then averaged based on the relative number of employees of these entities.

The annual total remuneration ratio of Air France-KLM is presented in the table below:

	2024
Annual total remuneration ratio	56

The annual total remuneration ratio between the highest paid individual and the median pay level stands at 56 for the year 2024.

Health and Safety (S1-14)

Health and safety management system

The definition of a health and safety management system is subject to local legal requirements and/or recognized standards and guidelines.

Fatalities

Fatalities are reported when they are related to the work of the employees, within the boundaries set in the applicable national, local, and conventional rules.

Accidents

Work-related accidents are defined according to the national, local, and conventional rules applicable to employees. The rate of work-related accidents is calculated as a ratio of one accident to one million hours worked (following the guidance available in the ESRS S1-14 AR 89 standard).

The total hours worked is calculated based on the actual working time and, when data is not available, on the best estimate according to the contractual working time after deduction of paid leave or absences from work (following the guidance available in the ESRS S1-14 AR 90 standard).

Health & Safety	2024
Percentage of employees covered by health and management system	95.6%
Number of fatalities	2
Number of work-related accidents	4,146
Rate of work-related accidents (for one million hours worked)	34.6

Employee Promoter Score (EPS)

The EPS is the score given to Air France, Transavia France, and KLM in their capacity as employers by their employees. This indicator is measured on a weekly basis through a question emailed to a random group of employees: on a scale of 0 to 10, “How likely are you to recommend Air France-KLM as an employer to friends and family?” The EPS equals the difference between the percentage of employee promoters of the employer brand (who gave scores of 8 to 10) and the percentage of detractors (who gave scores of 0 to 5).

The EPS covers employees under French or Dutch contracts at Air France, Transavia France, and KLM.

The indicator measured is the annual change in the consolidated EPS.

The annual change in EPS of Air France-KLM is reported in the table below:

Employee Promoter Score (EPS)	2024
Annual change in the EPS	+27.9%

In 2024, the EPS of Air France-KLM increased by 27.9%.

4.3.1.5 Diversity, Equity and Inclusion

4.3.1.5.1 Material IROs – Diversity, Equity and Inclusion (ESRS2 SBM-3)

The following table shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Diversity, Equity & Inclusion	N: Air France-KLM workers could be impacted by discrimination of all forms in hiring and career development	OO	R: Financial risks as a result of deterioration in the company's reputation due to discrimination and increase in staff costs O: Financial opportunity as a result of diversity and inclusion leading to innovation and diverse management practices	short/medium/long

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.3.1.5.2 Policies – Diversity, Equity and Inclusion (S1-1)

Diversity and Inclusion (D&I) Culture

As a signatory of the United Nations Global Compact, Air France-KLM is committed to adhering to the universal principles relating to the respect of human rights.

In the Air France-KLM principles, the Group affirms its commitment to fostering a climate of trust and mutual respect in a work environment where no form of discrimination, microaggression, or harassment is tolerated. Various initiatives have been implemented in the airlines to support this commitment.

The strong engagement of Air France in numerous actions promoting diversity and inclusion is reflected in its contractual policies, i.e., the twelfth three-year agreement on employment and retention of people with disabilities and the sixth three-year professional agreement on gender equality, and in their concrete results. These actions are at the heart of our values and are the subject

of daily work by the teams and a dynamic of continuous improvement.

Air France has addressed the topic of sexism prevention since 2018 by adhering to the “Stop ordinary sexism in business” (#StOpE) initiative and signing the Stop Sexism Charter. Transavia France also joined the initiative in 2021. The same year saw the entry into force in France of the Rixain Law, which includes a number of measures aiming to achieve greater equality between men and women in companies with more than 1,000 employees. Air France complies with this law and each year calculates and publishes any gaps in representation between men and women among its senior executives and members of its management bodies.

In 2019, Air France's Chief Executive Officer, Anne Rigail, signed the association *L'Autre Cercle's* LGBT+ Commitment Charter.

In 2020, Air France and the unions signed an agreement to "act against and prevent violence and harassment in the workplace." Since then, the actions and results have been regularly monitored with professional organizations.

The "Talent to the Top" Charter, signed by KLM's President & CEO in March 2019, contains guidelines and clear agreements that help KLM to purposefully work toward durable and effective results while improving gender equality, with progress monitored around defined criteria and an inter-company cross-mentoring program for women. KLM continues to be affiliated with Talent to the Top and takes part in their annual mentoring and mentee program.

With the signature of Workplace Pride's Declaration of Amsterdam in 2021, KLM committed to developing a work environment where openness and equality are fundamental, and where there is an explicit awareness of diversity, inclusion, and the LGBTIQ+ community.

At KLM, pursuant to Dutch Law, all employees have equal rights in the workplace. Differentiating between employees on the basis of disability or chronic disease is not permitted.

At the beginning of 2022, the Gender Balance Act came into force in the Netherlands, and the Dutch Social Economic Council (SER) now monitors compliance. This Gender Balance Act provides strict guidelines for:

- a quota of at least one-third male and one-third female members on the Supervisory Boards of Dutch listed companies. This is not applicable to KLM, but KLM has decided to voluntarily comply with the Dutch Corporate Governance Code;
- a self-determined target and reporting obligation for "large" entities, applicable to KLM. An appropriate and ambitious target to promote gender diversity on KLM's Board of Managing Directors and Supervisory Board as well as for the executive population has been set. Each year, KLM must report on the implementation and progress to the SER.

4.3.1.5.3 Processes in place to engage with own workers and workers' representatives – Diversity, Equity and Inclusion (S1-2)

Improving diversity and inclusion ("D&I") is a journey on which the Group pays constant attention to the way its employees experience this cultural transformation. The evolution of their perception of their own inclusion within their teams will provide guidance on the path to follow. In our first D&I survey, 76% of the respondents agreed with the statement "I feel welcome and included within my teams."

The Group's priorities are based on stakeholder needs, improvement points, and external good practices, and they mainly touch on the dimensions of leadership, culture, and measurement. The results were analyzed in early 2022, providing deep insights into employee perception of D&I; they are now recognized components of the Group's baseline.

Air France, conscious of its social and societal responsibility as a leading private employer in the Île-de-France region, is mobilized at all levels to fight against all forms of discrimination and to promote equitable opportunities, fairness, and inclusion for all staff. The airline is supported by a centralized D&I team that defines the direction, launches actions, and interacts closely with all management levels to embody change and make it tangible in all areas of the company.

KLM also has an important social and societal responsibility as one of the largest employers in the Netherlands. The airline has a D&I Circle responsible for defining the strategy and safeguarding the overall quality and execution of the roadmap. An independent D&I Ecosystem has been established, with a central D&I Program Manager, representatives from the different businesses, D&I leads, and employee resource groups (ERGs) providing insights about underrepresented groups, increasing awareness, and enhancing discussions.

4.3.1.5.4 Channels for own workers to raise concerns – Diversity, Equity and Inclusion (S1-3)

The Group has a zero-tolerance policy with respect to any form of discrimination and inequitable treatment. It is committed to increasing the awareness of protection and improving its preventive measures.

A warning procedure is available, offering any employee of the French entities of the Group the ability to report (via a dedicated platform) any information related to violations or potential violations of applicable laws and regulations or, more generally, any situations contrary to our values and internal rules (concerning any type of discrimination, harassment, sexism, racism, ageism, or any other situation).

Since 2021, for staff facing personal or professional difficulties, Air France has offered a completely anonymous and confidential psychological support and advice program with a 24/7 number. A digital platform is also available on a computer, tablet, and cell phone for rapid contact with a psychologist or access to psychological health information.

At KLM, a procedure for complaints about inappropriate behavior (concerning any type of discrimination, harassment, sexism, racism, ageism, or any other situation) is in place with a pool of skilled confidential advisors and a Complaints Committee. They provide employees with independent consultation, advice on how to deal with inappropriate behavior, and support in filing reports or complaints.

A range of training options is available, from workshops for team development to interventions when serious issues arise in the teams. The management can also bring in external expertise or request mediation. Experts in the Corporate Social Work department remain available for all forms of mental support.

4.3.1.5.5 Targets – Diversity, Equity and Inclusion (S1-5)

Air France-KLM strongly believes that a diverse and inclusive workforce has a positive impact on the performance of the organization, enabling it to attract more talent, be more customer-driven, have higher levels of employee engagement, make better decisions, and be more innovative and creative. Thus, the Group continues to support all forms of action to encourage equitable opportunities, equality between men and women, LGBTIQ+ and underrepresented groups, the vocational integration of young people, the transmission of knowledge and skills, and the maintained employment and recruitment of persons with disabilities.

Based on the internal assessments in September 2021, the roadmap was built to further promote diversity and inclusion. The assessments were aligned. The goal was to further improve and encourage an inclusive culture and leadership; consolidate the approach to combating all forms of discrimination and inequality; and make our progress more measurable based on relevant data, insights, and good practices. The development of this inclusive culture is furthered through the main steps of the Employee Journey, including recruitment and career evolution.

Air France-KLM has set itself a long-term objective of reaching parity between men and women within the Group Executive Committee and within the top 10% highest levels of management.

In addition, in parallel with the French entities achieving their diversity targets in accordance with the deadlines set by French law, medium-term targets of a minimum of 40% women within the Group Executive Committee and 40% of the top 10% highest management level positions to be held by women by 2030 have also been set by the Board of Directors.

Air France is committed to recruiting at least 50 disabled people over the period 2024-2026 and carries out around 250 measures a year to maintain disabled people in employment.

KLM is also committed to gender diversity and providing equitable opportunities for all its employees. To achieve this, KLM has developed diversity and inclusion gender objectives and set targets. KLM achieved its gender diversity targets for 2024 in the Supervisory Board and the Board of Managing Directors, with 33.3% female representation on the Supervisory Board and 40% female representation on the Board of Managing Directors. For 2025, KLM has formulated targets and is constantly working on its policies to meet and maintain these targets for the executive population.

4.3.1.5.6 Action plans in place or planned – Diversity, Equity and Inclusion (S1-4)

As mentioned, the Group has a zero-tolerance policy with respect to any form of discrimination and inequitable treatment. Bullying, harassment, and any other harmful behavior has no place within our Group and our corporate culture. We have zero tolerance for any form of harassment, whether of a sexual, verbal, physical, or psychological nature.

To anchor diversity and inclusion in the day-to-day lives of our employees and teams within the Company, the first step in our multi-year plan was the raising of awareness around the topic, the sharing of our ambition, and the deep understanding of our starting point. Following that plan, the learning platforms now cover topics about bias and bias in recruitment (unconscious bias and the ways to remove structural barriers and systematic bias), religious diversity within the companies, discrimination, racism, psychological troubles, organizational sensitivity, and microaggressions.

Air France-KLM also combats discrimination linked to sexual orientation and gender identity in the professional context. Fostering an inclusive work environment in which all employees can be themselves is a firm commitment of the Company.

The Air France-KLM Group airlines are active in promoting airline vocations for women. Air France-KLM is a member of the “25by2025” global initiative led by the International Air Transport Association (IATA) to enhance diversity, equity, and inclusion in the aviation industry. Created in 2019, 25by2025 emphasizes the importance of adopting best practices to foster greater D&I and gender balance in the aviation sector.

An action plan has been deployed with a stronger focus on the careers and promotion of female profiles at all levels of management. In addition, in 2024, the project investigating equal pay was started by the Group and shall be continued.

Since 2021, Air France has organized diversity events such as webinars, forums, exhibitions, and challenges that reiterate the company's diversity ambitions and explore the topic. Participation in Diversity Frescoes is proposed to employees. These are collective intelligence workshops intended to raise awareness and questions about the issues of discrimination and inclusion within organizations. In 2024, 300 people participated in this fresco.

In 2023, Air France launched an e-learning course on “Preventing and combating ordinary sexism in the workplace” to foster an understanding of what ordinary sexism in the workplace is, how it manifests itself, and how one should react to it. Furthermore, at Air France, a webinar titled “Unmasking sexism at work” was organized. Since 2022, a booklet on “Preventing and Acting against Violence and Sexual and Moral Harassment at Work” has been available after the zero-tolerance principle was reaffirmed by the Air France Executive Committee.

To continue to foster our zero-tolerance policy on potential harassment and sexism, our processes and procedures will be reinforced in 2025, notably with the support from outside experts, and will be monitored through dedicated reporting at the top management level.

Because violence against women in the private sphere also has an impact on professional life (stress, absenteeism, isolation, etc.), Air France is committed to preventing domestic violence, fostering understanding about it, and providing assistance to victims of it. In 2022, Air France joined the “One in 3 Women” network, the first European network of companies committed to combating violence against women. This led to the organization of four events in 2024.

To encourage women to access the highest management positions, coaching and mentoring initiatives are in place to promote their career progression. Since 2015, 250 women have benefited from the “*Femmes de Talent*” coaching program. A new “Defi 100 days” program will be launched in 2025 for experienced managers, as well as a “develop your potential” program for newly promoted managers. In addition, Air France has organized lunchtime meetings with Comex members, attended by 170 women with the company in 2024. Moreover, a Wo&Men professional equality network was relaunched, with over 200 members. Air France is a member of the “*Elles Bougent*” external network, whose female mentors encourage young girls to join the engineering and technical professions.

In 2022, Air France partnered with the local associations “Article 1” and “*Nos Quartiers ont du Talent*” to sponsor secondary school students and young graduates from disadvantaged socioeconomic backgrounds and to help them succeed in their studies or in their professional integration. Approximately 50 managers from the company mentor these students and, in November 2024, the Company organized a mentoring meeting workshop in support of equal opportunities at its headquarters, with the help of seven partner associations.

Air France continues to take an active part in awareness-raising initiatives and has been participating for years in the European Week for the Employment of People with Disabilities through webinars and information sessions and in the DuoDays.

Through its agreement covering the 2024-2026 period, Air France reaffirms its desire to pursue an ambitious policy by maintaining the recruitment of people with disabilities and by pursuing actions for their employability, training, and professional support through coaching and co-development in particular. Changes were also made that relate to suitable career support and the implementation of measures in favor of family caregivers and, more particularly, employees who are parents of children with disabilities.

Air France was also a partner of the Paralympic Games (August-September 2024), enabling 600 students from French overseas departments to experience the games in Paris. In addition, 50 young people with disabilities were able to attend events thanks to the Air France Foundation. Such actions underscore Air France's strong commitment to people with disabilities, whether employees, future employees, or customers.

Air France strongly supports suppliers who employ people with disabilities. Thus, about 60 external organizations have signed agreements with Air France to cover activities such as blanket laundering or bolting in aircraft maintenance. In 2024, the budget for these activities was €22.2 million, making the Company one of the most engaged in promoting the employment of persons with disabilities.

At KLM, raising awareness about diversity and inclusion (D&I) and furthering the understanding of the Company's ambition in this area is a key starting point for its D&I journey. The focus is kept on awareness and training, which are key to combating stereotypes and preventing situations of discrimination. This continues as new staff join the companies and need to be included in D&I practices. Within KLM, the entities have set up several face-to-face or e-learning training modules, some of which are specifically aimed at leaders, recruitment, and the HR network.

The entities have also raised awareness in different ways in keeping with their countries and cultures. This is reflected in specific initiatives such as the interactive talk “Are you an inclusive colleague?”; the podcast about D&I for the whole company; speed coaching and mentoring for young individuals with difficult socioeconomic backgrounds; a fun and interactive challenge for approaching and understanding handicaps; the “intergenerational duos” photography exhibition; dedicated D&I leadership workshops to educate leaders on how to implement D&I within teams; and Personal Inclusion Scans (more than 600 this year), which are personal assessments of inclusive thinking and action based on a scientific approach developed by the University of Leiden.

KLM prioritizes a safe and welcoming work environment for all employees and has implemented measures to prevent and effectively respond to bullying, violence, harassment, and discrimination. In January 2023, KLM launched a comprehensive campaign against undesirable behavior, utilizing various communication channels and interventions to raise awareness and educate employees. This included e-learning modules for self-education and team workshops with 1,400 participants in 2024, as well as education on microaggressions, racism, and discrimination through the employee resource group Connecting Colors. Additionally, KLM established a central advice and reporting point to handle instances of unwanted behavior, expanded the team of trusted advisors, and implemented a new complaints procedure with a complaints committee. These learning journeys continued in 2024 and are not over. In the same year, the process for reporting undesirable behavior was streamlined and simplified.

KLM organizes quarterly D&I events, opportunities to learn and grow with external speakers or companies that share their best practices and policies. KLM has also built the annual D&I calendar, which was launched to celebrate cultures and religions and highlight important events such as Autism Awareness Day, International Women's Day, Keti Koti, Diwali, International Pilots Day, etc. In 2024, KLM also celebrated Diversity Week, which coincided with Diversity Day on October 1. The week entailed three workshops on bias, a cultural diversity session, a panel discussion about allyship, a workshop on generations, and an event focused on Coming Out Day. These events were open to all colleagues.

At KLM, the recruitment teams continue to expand their manpower portals by going to different schools and approaching diverse university fraternities and recruitment agencies that employ disabled or special-needs candidates. The recruitment teams completed workshops on bias, where their knowledge of unconscious bias was sharpened and interview practices were streamlined. Recruitment has also appointed an informal D&I leader who continues to educate the recruitment team and keep them informed about D&I matters.

KLM also updated its HR systems to include the pronouns of our colleagues. It has also expanded partner leave for the birth of a child and updated HR correspondence with inclusive language. A working group was also formed in 2024 to investigate the transition process and how HR can support this process with policies. In 2024, KLM also joined the Group-initiated project investigating equal pay.

KLM has been a member of Workplace Pride for eleven years and reinforced its “Ambassador” status in 2024. For the third year in a row, the company was officially recognized as a front-runner in LGBTIQ+ diversity and inclusion. Our “Over the Rainbow” network was also nominated for Employee Resource Group of the Year and finished among the top 3.

KLM has created an Inclusive Communication document to support its frontline staff, including call centers and ground staff, with verbal and written communications to our customers.

In the third quarter of 2024, KLM fully focused on the topic of equal rights in the workplace (including the inclusion of employees with disabilities), bringing in external subject matter experts to educate and raise awareness among KLM staff. A brainstorming session was organized to work on ideas to improve in this area and find ways to ensure that we continue to be accessible and inclusive for affected employees, now and in the future.

KLM has worked closely with SkyTeam this year to share best practices and enrich each other's approach to D&I. The CEO of KLM was a sponsor of the SkyTeam RISE program, which was designed to promote gender equality. This cooperation and benchmarking will continue.

To this end, HR led a communication campaign to encourage more women to participate in leadership. The employee resource group “Women on Board” took the campaign further by creating events on the topic and providing tips and tricks concerning pain points for

women along their career paths (such as daring to apply for jobs and negotiating the salary). A dedicated Female Leadership workshop aiming to empower KLM women saw more than one hundred participants in 2024. Through Women on Board, a mentor/mentee program is facilitated annually for a period of six months.

Transavia France raises awareness and trains its employees at the time they join the company and throughout their career through compulsory modules and additional modules on the LMS platform.

In 2023, Transavia France launched an e-learning course on “Preventing and combating ordinary sexism in the workplace” to promote an understanding of what ordinary sexism in the workplace is, how it manifests itself, and how one should react to it.

In 2024, Transavia France organized a Diversity Month, with a range of initiatives including campaigns to raise awareness of sexist behavior, workshops on tolerance, and a welcome for employees with disabilities.

During its week to highlight and support people with disabilities, Transavia France proposed a sensorial journey to raise awareness about handicaps and participated in DuoDays.

At Transavia France, the prevention of behavior that could be a source of difficulty at work has been integrated into Transavia's internal regulations.

Transavia Netherlands has embedded D&I into its policies, recruitment, and campaigns. In 2024, Transavia Netherlands achieved the minimum target of 30% women in senior management positions set by Dutch law. The airline also embedded a yearly D&I measurement in its employee satisfaction survey. The outcome shows that employees feel welcome and can be themselves.

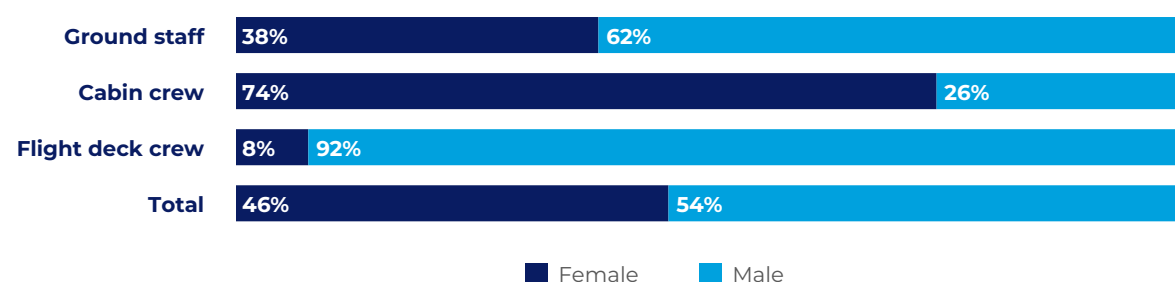
Transavia Netherlands also worked on a gender-neutral approach for recruiting applicants and developed a D&I policy for its onboarding program as well as a D&I calendar, which highlights specific topics or events every quarter to celebrate diversity and inclusion. For non-Dutch-speaking colleagues, all HR policies, newsletters, and blogs are now available in English. The online information sessions are also provided with subtitles, and non-Dutch-speaking colleagues are offered a Dutch language course. An internal campaign called “Surely, I don't judge” was also held to raise awareness and celebrate diversity and inclusion.

4.3.1.5.7 Metrics – Diversity, Equity and Inclusion (S1-9, S1-12, S1-16)

Breakdown of employees by gender (S1-9)

The following table and graph show the gender breakdown of Air France-KLM employees for each staff category, in number and percentage:

Staff Category	2024				
	Total	Female	Male	Other	Not disclosed
Ground staff	51,626	19,690	31,934	1	1
Cabin crew	27,289	20,114	7,175	–	–
Flight deck crew	10,194	788	9,406	–	–
Total	89,109	40,592	48,515	1	1



Total number of employees by age range (S1-9)

The age distribution of the Group's employees is shown by staff category in the table below:

Staff category	2024			
	Total	<30 years	30-50 years	>50 years
Ground staff	51,626	7,926	20,727	22,973
Cabin crew	27,289	3,557	13,211	10,521
Flight deck crew	10,194	952	5,654	3,588
Total	89,109	12,435	39,592	37,082

At the end of 2024, 14% of the Air France-KLM employees were 30 years old or younger, and 42% were 50 years old or older.

Gender distribution and percentage at top management level (S1-9)

In the context of Air France-KLM, top management consists of the four specific categories below:

- Group Executive Committee (GEC): number and percentage of men and women in the GEC, which is the most senior management body of Air France-KLM.
- Top 10% of highest management level (ground staff): number and percentage of men and women at the top 10% management level for ground staff. This indicator is calculated by combining all the levels of management, classified in descending hierarchical order, until the threshold of 10% of the total employees (including all staff categories) is reached. For the lowest level of management to be considered, only the share of this level needed to reach the 10% of the total employees in scope is taken into account. The entities in scope for this indicator are Air France, KLM, and the holding company Air France-KLM, including their employees seconded to entities that are out of scope.
- Cabin crew – managerial functions: number and percentage of men and women among the cabin crews exercising managerial functions. The entities in scope for this indicator are Air France and KLM.
- Flight deck crew – managerial functions: number and percentage of men and women among the flight deck crews exercising management functions. The entities in scope for this indicator are Air France and KLM.

The gender distribution within the managerial functions is disclosed in the two tables below:

Gender distribution in managerial positions		2024			
		Target	Female	%	Male
Group Executive Committee	40% of women by 2030	3	27.3%	8	72.7%
Top 10% of highest management level (Ground staff)	40% of women by 2030	2,629	36.0%	4,673	64.0%

Gender distribution in managerial positions		2024			
		Female		Male	
			%		%
Cabin crew – managerial functions		1,651	71.7%	651	28.3%
Flight deck crew – managerial functions		92	5.4%	1,606	94.6%

Employees with disabilities (S1-12)

The total number of employees with disabilities within Air France-KLM's own workforce is computed based on the local definition of an employee with disabilities, and may include self-declared employees with disabilities or employees with disabilities recognized as such by the local employment law, for instance, in the context of a mandatory share of employees with disabilities.

Local regulation in force in the Netherlands is unclear on authorized ways to collect data related to employees with disabilities. To ensure compliance with the regulation, the KLM Group does not collect such information. In this context, the percentage of employees with disabilities for the Air France-KLM Group is calculated by excluding the total number of employees working for KLM and its subsidiaries.

The percentage of employees with disabilities within Air France-KLM's own workforce is presented in the table below:

Employees with disabilities	2024
Percentage of employees with disabilities	4.1%

Gender pay gap (S1-16)

The gender pay gap of Air France-KLM is calculated based on the average total gross hourly pay levels of male and female employees within the most significant entities.

The gender pay gap is calculated based on the gap of each entity in scope, and averaged at the Air France-KLM Group level based on the relative number of employees of each entity.

As of December 31, 2024, the unadjusted gender pay gap of Air France-KLM is as follows:

	2024
Gender pay gap (unadjusted)	34.4%

The AFKL gender pay gap of 34.4% is unadjusted. It does not take into account the specificities of the different categories of employees in terms of gender representativity and remuneration schemes. This pay gap is mainly due to the fact that women are underrepresented in positions with higher remuneration levels, such as pilots (5.4% of pilots are women).

4.3.1.6 Training & skills development and talent attractiveness

4.3.1.6.1 Material IROs – Training & skills development and talent attractiveness (ESRS2 SBM-3)

The table below shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Training & skills development and talent attractiveness	P: Employability of Air France-KLM workers could be impacted by training and continuous development of their skills	OO	R: Financial risks as a result of lack of skills development and attractiveness leading to difficulties in finding relevant skills or shortage of people with specific qualifications O: Financial opportunity as a result of attractiveness and skilled employees leading to more efficiency	short/medium

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.3.1.6.2 Policies – Training & skills development and talent attractiveness (S1-I)

Resource adaptation: talent attractiveness, recruitment, and retention

Resource adaptation is a key process. It is accompanied by reorganization and transformation projects aiming to improve the Group's efficiency and restructure its French domestic network, while taking into account new environmental conditions.

Air France-KLM is deliberately shifting toward a more skills-based organization, aiming to continuously ensure that the needed skills are covered now and in the foreseeable future. The outcome of its Strategic Workforce Planning methodology is now available from a roles and skills perspective, enabling the creation of an appropriate build/buy/borrow skills strategy, for each area of the organization.

The Forward Planning of Jobs and Skills (GEPP) campaign, combined with a strategic vision and a business-focused approach, made it possible to identify future staffing needs based on a number of different scenarios, while providing solutions related to mobility, employability, research, employee loyalty, and the management of the effects of the digital transformation.

Training, performance, and skills development

Amidst a shift toward a more sustainable airline industry, internal reorganization, and the ramp-up of activity in a tight employment market, developing human capital and securing the loyalty of talented individuals are imperative to transform the companies within the Group. Our inclusive Talent Development strategy aims to enable employees to make optimal use of their talents, improve their employability, and thus add value to the organization.

In the shift from performance management to performance development, the Air France-KLM Group's approach to performance appraisal is now oriented toward a forward-looking and appreciative process based on constructive feedback to contribute to professional maturity, career development, and sustainable employability.

The Human Resources teams and the Executive Committee very rapidly pinpointed the strategic challenges that are involved in the retention and development of talent and are to be added to the succession plan for key positions. Training, which plays a key role in this development, is organized by each airline and offered to all Group employees.

4.3.1.6.3 Processes in place to engage with own workers and workers' representatives – Training & skills development and talent attractiveness (S1-2)

Resource adaptation: talent attractiveness, recruitment, and retention

Matching needs and resources remains a priority, and internal mobility is the preferred solution whenever possible. Reinforced communication about job openings; internal recruitment forums, where employees can ask questions about the advertised jobs; the publication of all openings on the internal job exchange; and the organization of internal selections have enabled nearly 2,000 internal transfers within Air France and just over 1,000 internal transfers within KLM ground in 2024.

After discussions with the pilots' representative unions, KLM adopted a variety of measures to address its temporary shortage of pilots. Thanks to a pilot-competitiveness plan introducing more flexibility and productivity over the 2023-25 period, the Company is able to hire and train its pilots faster, mitigating the risk of a shortage of flight deck crew staff in the short and long term.

As part of a data collection process, people leaving the company are offered exit interviews or the opportunity to complete an exit survey to provide insight into the reasons for their departure. These measures form the basis for further improvement in our employee value proposition.

Training, performance, and skills development

With the extensive transformation of the Company toward more sustainable aviation, helping employees transition into different roles within the Company and supporting them to be up to their jobs is more important than ever.

Air France-KLM recognizes its employees for their whole selves and strengthens their ability to build their careers around their unique talents.

The Air France-KLM Group strongly encourages its employees to learn, take responsibility for their individual and professional development, build personalized career paths, and foster their own employability. The yearly training plan, which includes regulatory, qualifying, and certification-based training courses, has been designed to support and accompany the strategy of the Group and to develop individual and collective performance.

In 2021, Human Resources assessed the current talent management approach for the Group, redefining the requirements of the business, reviewing the tools and processes used by the Human Resources departments, and sharing the needs and expectations of the talents. Priority areas for improvement were defined, and implementation has continued since 2022. This process covers the definition of leadership expectations common to all the Group entities, the development of transversal leadership training programs for the different levels of leadership maturity, and a coordinated approach to talent identification and succession planning.

The Group considers people's development through three dimensions: on-the-job experience, feedback, and formal learning. In 2024, the entities launched and continued actions covering these three dimensions, taking into account the businesses' own specificities and starting points.

The Air France-KLM Group promotes all kinds of positive and constructive feedback, seeing this as an important component of development and a contributor to a healthy working environment. On-the-spot and timely feedback, individual conversations, 360° feedback, and other forms of feedback are all encouraged throughout the Group, supplemented by internal or external coaching and mentoring, to which Air France paid specific attention in 2024.

During individual conversations related to performance, managers are asked to put the emphasis on talent and the development of the expertise and actions needed to enhance an individual's value in both their current and future roles and activities.

In terms of the content of performance, both the "what" and the "how" of performance are considered in development discussions and performance assessments.

The offer of peer-to-peer co-development sessions for managers has been reinforced within Air France. Diagnostic tools such as 360° feedback saw a wider roll-out as of 2022, and individual mentoring and coaching continued to be deployed. In 2023, more than 100 managers benefited from mentoring at Air France, and the use of the Listen Up feedback tool for managers increased as well as the use of 360° and peer feedback.

KLM is committed to fostering a culture of continuous learning among its employees. The company encourages them to take ownership of their personal and professional growth, create customized career paths, and enhance their employability now and in the future. Their annual Learning & Development plans are strategically designed to support the company's overarching goals, thereby promoting both individual and collective performance.

Employees are encouraged to think about what their work means to them now and in the future. With the "MyTalent" online platform, KLM feeds and stimulates employee thinking about the use of their interests and talents. Employees can run several scans to explore their skills, motivation, and talents and can match these against job openings within the company and in other organizations in the Netherlands. Since December 2022, MyTalent has also been available in English; with this upgrade, a wider range of employees can be reached. KLM integrated MyTalent in several career development programs, such as the Kickstart program, as a starting point to help discover the next steps an employee can take in their personal development and career.

4.3.1.6.4 Channels for own workers to raise concerns – Training & skills development and talent attractiveness (S1-3)

The management line, the training teams, and the staff representatives can all be reached if someone would like to share an issue or raise a concern related to training or skills development.

4.3.1.6.5 Targets – Training & skills development and talent attractiveness (S1-5)

Resource adaptation: talent attractiveness, recruitment, and retention

In 2022, the Air France-KLM Group reaffirmed its commitment to promoting skills-based mobility. The Group identified the connection of people, skills, and opportunities as a key factor in success and a contributor to talent management and sustainable employability.

Attractiveness is also key to facilitating the recruitment of targeted talents and ensuring the efficiency of the airlines.

The main goal is to strategically attract, develop, retain, and deploy skilled and motivated employees to ensure the airlines' sustained competitive advantage.

Training, performance, and skills development

The aim of the performance management process is to help identify employees' talents and their individual growth potential, and thus maximize everyone's contribution to the company's results.

Over the last four years, major efforts were made to further modernize and streamline the search process for the various learning programs in the modern and user-friendly MyLearning tool through the use of artificial intelligence. The MyLearning platform is accessible to all employees of Air France and KLM.

Air France and KLM aim to continue the policy launched in 2019, which is to transition from exclusive talent management (aimed at a targeted group of employees) to inclusive talent management (where every employee is a unique individual). In 2023, the common talent management approach was updated, and a common people development strategy and action plan were implemented, ensuring the efficiency and employability of our workers.

4.3.1.6.6 Action plans in place or planned – Training & skills development and talent attractiveness (S1-4)

Resource adaptation: talent attractiveness, recruitment, and retention

As a way to develop and retain key talent, airlines of the Group are also strongly encouraging internal mobility.

Here are a few Air France initiatives developed since 2023 to encourage internal mobility: a dedicated digital in-house magazine with testimonials and mobility tools; in-house recruitment forums (775 participants in 2024); trend sheets made available to employees to present the development trends of the company's main professions, their context, the skills required to perform them, and possible gateways; and a learning channel dedicated to mobility to help employees take an active role in building their career paths (with content on writing a CV, building one's career project, etc.).

To enhance its attractiveness and offer a positive candidate experience, Air France has deployed several initiatives:

- Optimization of the recruitment process: In addition to remote interviews, Air France has reviewed and simplified its assessment phase for a smoother, more responsive selection of talent, promoting a more positive experience for candidates.
- Strategic partnerships with educational institutions: The company has consolidated its relationships with a number of leading schools and universities, actively participating in recruitment forums and creating strategic partnerships to encourage young talent to consider a career in the aeronautical sector.
- Commitment to students and young graduates: The launch of "Take Off Day" enables first and second cycle university students to discover the job opportunities offered by Air France in the field of aeronautical maintenance. The event aims to raise the company's profile among the younger generation and inspire them along their career paths.

Air France has signed an Employment Pact with the City of Paris, affirming its commitment to local development and the professional integration of Parisians. The aim of this partnership is to promote access to employment for those who are farthest from the job market, while enhancing the company's attractiveness to job applicants. Working in partnership with local players, Air France actively contributes to employment and training, reinforcing its image as a responsible employer with a strong local presence.

As part of its commitment to keeping in close touch with applicants, Air France has set up a network of ambassadors to represent the Company at recruitment forums and events. Made up of committed employees, this network enables applicants to discover the Company's culture and career opportunities directly from Air France employees. This initiative demonstrates Air France's commitment to building a strong employer brand to attract diverse talent.

As part of its commitment to training and skills development, Air France has launched a master's program for students in the humanities. This innovative program aims to train future talent in the specific challenges of the aviation industry and human relations, while enhancing the attractiveness of the employer brand to young graduates interested in careers combining sector expertise and cross-disciplinary skills.

After the return to pre-Covid-19 business levels in 2023, which led to a sustained hiring plan, the slowdown seen in the last quarter of 2023 was confirmed in 2024, accentuated by the negative effect of the Paris 2024 Olympic Games, geopolitical tensions, and competitive pressure. Against this backdrop, Air France has introduced tighter control over its hiring, focusing on operational functions (pilots, cabin crew, mechanics, and aeronautical engineers) and on rare or expert skills (IT engineers, data and legal experts, etc.).

As part of its employer brand strategy, Air France has integrated the Simulation Recruitment Method (SRM) to attract diversified profiles and promote practical skills. This partnership with France Travail enables it to identify talented individuals on the basis of their aptitudes, without the need for a specific academic background, thus reinforcing the inclusiveness and accessibility of its technical professions. This innovative approach contributes to the attractiveness of the employer brand, positioning Air France as an employer who is keen to give everyone a chance, while optimizing the match between candidates' skills and job requirements.

Air France remains highly attractive to young people, having been ranked eighth out of 60 in the top places to work for recent graduates (source: Universum). Air France has also been awarded the "Employer of Choice" label, which reflects a commitment to young people in 2025 and recognizes the companies rated best by students during their work-study or internship. Air France also ranks fourth out of 500 best employers in France and first in the Transport category (Capital ranking).

KLM has managed to remain one of the strongest employer brands in the Netherlands. To strengthen and expand its attractiveness among the potential candidates, KLM has a solid presence in the labor market through targeted recruitment campaigns and opportunities to meet with talent during offline events. KLM simplified the application process, removing the requirement for a cover letter.

In the Netherlands, many new recruitment initiatives supported the ramp-up in activity. KLM launched a brand new career site, which has improved the overall candidate experience. To better reach and enthuse technical

candidates, KLM has rolled out a large-scale media campaign showcasing its diverse technical career offerings.

KLM Recruitment Flight Staff attracted and selected a large number of new colleagues, including cabin crew and pilots, interns, and management trainees. In parallel, KLM rebuilt a solid flex pool for ground staff and has started the project of external registration to provide a better overview of externals in the KLM organization and a faster onboarding process.

In order for KLM employees to expand their career horizons, internal internships were developed in the organization so that they can discover other professions. In the first half year of the rollout, 26 people have already had the opportunity to learn new skill sets and experience a different role in a safe learning environment.

In the past year, KLM Learning & Development focused on collaboration with decentralized training organizations, enhancing efficiency through process improvement and increasing the quality of learning programs through collaborative maintenance and technological innovation. The main aim is to better align vocational training with employees' work practices and reduce training time. KLM Learning & Development, in collaboration with various divisions, has completed over 30 projects contributing to these goals. These range from career development programs for cabin crew to training programs for Cargo employees learning to operate new IT systems.

Starting in 2023, KLM further enlarged the scope of the learning content distributed via a link to the "external training portal," which includes a rich and varied training offer with special attention paid to workers. It also enables KLM to suggest specific training courses to its employees and to allocate a personal development budget, called the Sustainable Employability budget.

Transavia France provides its employees with a variety of content via its LMS TO Learn platform, enabling each employee to play an active role in his or her own development and that of his or her team, thanks to the design of micro-learning activities. In 2024, the company launched an ambitious recruitment plan to support growth and transformation projects.

Training, performance, and skills development

To structure the Talent Management process, the airlines follow an annual cycle for managers and employees with a specific pathway through which they address Talent and Performance Development topics.

Within Air France and KLM, the process is supported by a tool developed internally and is positioned as a management transformation lever. It is based on two key concepts: continuous performance management and multi-evaluation. Development of the feedback process builds employee skills and, consequently, enhances individual and collective performance. Managers conduct at least one annual interview with every member of their teams to assess their performance for the year and their potential development for the following year.

Air France continues to develop its Learning Channels (LCs) to simplify the use of its training offer: LC Management & Leadership (based on a leadership model), LC Quality & Occupational Health, LC Diversity, Finance, etc. This year, Learning Channel Data has evolved to focus on generative artificial intelligence, in order to support employees as they make the most of these tools. In addition, the Company is strongly supporting its managerial transformation, notably with the “Boost Your Performance” training program, mandatory for all managers and covering the following areas: safety, sustainable development, managerial practices and leadership, business culture, and HR. Another highlight in 2024, in line with its corporate strategy, was the rollout of the My Climate School platform to train all employees in climate issues and sustainable development best practices. It offers interactive and educational modules to raise awareness and encourage concrete actions to care for the environment.

Since 2022, Air France has reinforced its performance management process with dedicated support for managers in their roles: the Management Lab enables hundreds of managers to share best practices, advertise learning and development opportunities, and connect with each other. In 2023, there was a lab focused on “managing team performance.” Managers could also attend training courses dedicated to goal setting or annual performance evaluation, which were strongly encouraged through push corporate communications. To further support individual and collective performance management, tools to formalize development actions were developed and brought to the attention of the HRBP (HR Business Partner) network. In 2024, the Management Lab, within Air France, continued to share best practices with hundreds of managers on the themes of “Management through Care” and “The Impact of AI” on the manager's posture, in order to support them in developing their managerial posture in the face of transformation challenges and to support them as they manage team performance. Finally, 11 webinars aimed at the managerial community highlighted tools and methods related to the 6 cross-functional competencies expected of managers (oral impact, activity management, feedback, potential detection, the contribution of AI to the manager's day-to-day life in relation to the Leadership Model, etc.).

At KLM, the outcome of the talent identification session is captured in the HR system (SAP Success Factors “SAP SF”). In 2023, the recording of succession planning in SAP SF started to be implemented.

KLM organized multiple sessions with the business to gather feedback on its current TOP Conversation form, which was introduced in 2021. This has led to a redesign of the form, which will be launched as of January 1, 2025. Furthermore, its communication regarding its performance processes will be sharpened based on the feedback. For all leaders in AFKL, the AFKL Leadership model has been introduced, including a set of joint leadership competencies for all executives in AFKL. In KLM, six KLM-focused behaviors to contribute to the strategic ambition are introduced. These competencies were introduced as part of the fixed income in the performance form of 2024. For its middle management, the same principle is used, focusing on the “What” and the “How” in performance through their KL competencies.

Transavia France supports the performance of its teams through appropriate appraisal processes. For example, for ground staff and cabin crew managers, an appraisal campaign is structured around two key stages, allowing for an annual review of objectives and an exchange on professional development. The online tool supports the review, updating, and co-construction of objectives throughout the year. It also encourages feedback.

Transavia France conducts reviews to anticipate and support succession plans. Specific programs are offered to talent management to develop expertise in certain areas, notably leadership.

In 2024, Transavia France deployed a cross-functional skills reference framework, as well as a managerial reference framework, to better identify employee expectations, enable self-assessment, and support skills development via appropriate training solutions.

In 2024, Transavia Netherlands revised its Talent Management strategy and action plan, adopting for an inclusive approach that enables all employees to explore, develop, and make better use of their unique talents. To that end, during the annual talent identification cycle, managers use a tool developed internally to review their team. It focuses on the exploration of employees' different talents and their potential development, which is the starting point for individual conversations with employees. Moreover, a talent platform is being built, where all learning and development tools available in the organization can be found in one place and easily accessed by employees.

Leadership model

In 2022, the Air France-KLM leadership model was defined, and the executive leadership competencies were formulated. In parallel and in addition to addressing leadership development needs transversally within the Group, with Air France-KLM training programs for leaders at both the senior and middle-management levels, several development initiatives were built to enrich the executive and managers succession plan and to anticipate the need for specific competencies in the business units.

In line with the Group's new leadership model, to support the challenges of the business and to accelerate its transformation, Air France updated the cross-functional skills reference framework for managers and rolled it out in 2022. It defines the required soft and hard skills with the levels of proficiency that executives and managers can call on to develop their teams and their own skills. To supplement the manager toolbox, the training and development offer has been enhanced accordingly, with assessment and self-assessment tools to measure skill gaps and better identify the relevant individual plans. For instance:

- knowledge of self: transversal competencies self-diagnostic, mirroring (“*retour d’image*”) 360°;
- individual coaching and mentoring;

- peer sharing: The Management Lab Program for managers and the Co-development and “*Coup de Pouce*” programs enrolled around 1,500 managers in 2024.

Air France and KLM continue to offer talent and leadership programs like the *Femmes de Talent* training and coaching program, aimed at enabling high-potential women to develop their leadership skills within the Group and occupy senior management positions.

Transavia Netherlands has made important steps to implement its vision of leadership development (launched in 2022). The main themes Transavia is building on are accountability, integrity, and mental well-being. Several leadership development initiatives were launched in 2024 touching approximately 130 managers, focusing not only on inspiring but also on developing leadership skills. The honest conversation is an important tool for leaders and their teams to give substance to accountability, mental well-being, and integrity.

4.3.1.6.7 Metrics – Training and skills development (S1-13)

Training hours

Average number of training hours

Training hours correspond to the number of hours spent on initiatives that are aimed at maintaining and/or improving skills and knowledge. Training hours include both regulatory and non-regulatory training as well as different training types (e.g., onsite, online).

Due to the very low number of employees under the gender categories “other” and “not reported,” only the average number of training hours for male and female employees is disclosed.

Average number of training hours (in hours)	2024		
	Total	Female	Male
Ground staff	23.5	20.7	25.2
Cabin crew	38.5	38.6	38.2
Flight deck crew	81.9	81.2	81.9
TOTAL	34.8	30.8	38.1

At the end of the year 2024, the global average number of training hours stood at 31 hours for female employees, compared to 38 hours for male employees. The difference can be explained by the gender representation pattern in certain activities (aircraft maintenance or ramp handling) where mandatory certification requires regular training hours.

4.3.1.7 Working rights and human rights

4.3.1.7.1 Material IROs – Working rights and human rights (ESRS2 SBM-3)

The table below shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Working rights & human rights	N: Working rights and human rights in the Air France-KLM workplace could be harmed by management practices	OO	R: Financial risk as a result of a damage to Air France-KLM reputation in case of failure to respect human rights and working rights in the workplace	short/medium

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.3.1.7.2 Policies – Working rights and human rights (SI-1)

As an international Group with operations all over the world and employing a large number of staff, Air France-KLM is committed to respecting both ethical values and the applicable legislation in all regulatory compliance domains.

The Group complies with all such legislation not just because it is required to do so, but also because this is an essential element of delivering on its corporate purpose and values and an imperative to be in a position to preserve competitiveness, company reputation, and the sustainability of its activities.

The Air France-KLM Group recognizes and complies with the international standards applicable to legal entities in terms of ethics and compliance, including, notably, the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, the fundamental conventions of the International Labor Organization (ILO), and UNICEF's Rights of the Child and Business Principles.

As a signatory of the United Nations Global Compact since 2003, the Air France-KLM Group has undertaken to respect the ten principles of the Global Compact. It has incorporated these ten principles into its strategy, policies, and procedures and actively promotes them to its partners and suppliers. The last communication on progress was published on May 30, 2022.

The importance of respecting ethical principles in day-to-day business activities is reiterated in a number of documents. Some of these documents apply to all employees irrespective of their positions, locations, and activities, such as the Air France-KLM Principles and the Anti-Corruption Code of Conduct. This documentation gives rise to regular communication, awareness campaigns, and training programs.

In addition, and without prejudice to the above-mentioned documentation, other documents may be dedicated to:

- certain legal entities so as to comply with the applicable local laws or internal regulations;
- specific functions (such as the Charter for the Procurement domain or the Code of Ethics for the Finance domain).

Air France-KLM assumes its responsibilities as an employer and economic partner. It places its commitment to responsible and innovative corporate citizenship at the heart of its strategy. The Group's commitments are set forth in its Corporate Social Responsibility Statement, The Air France-KLM Principles, and its sustainability statement.

Air France-KLM's sustainable development policy enshrines the respect of fundamental rights as defined in the leading international principles: the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO), and the Guiding Principles of the Organization for Economic Cooperation and Development (OECD).

As part of its signature of the UN Global Compact, the Group supports the ten principles in the areas of human rights, labor, environment, and anti-corruption and is promoting this commitment to its partners. By integrating sustainability into its business and operations, the Group strives to contribute significantly to the attainment of the UN Sustainable Development Goals within its scope of influence.

In July 2020, the Air France-KLM Group published the Air France-KLM Principles, which set out the values and fundamental rights within the Group.

The Air France-KLM Principles were developed in cooperation with the European Works Council and staff representatives.

The Air France-KLM Principles apply to all employees within the Air France-KLM Group, including those working part-time and under temporary contracts.

These are regularly reviewed to ensure they are up to date. The Air France-KLM Principles reaffirm to all employees the Air France-KLM Group's commitments to fostering a climate of mutual trust, respect, transparency, and confidentiality, and to promoting a work environment where health, safety, and quality of life are key priorities without compromise.

They include commitments in respect of diversity and inclusion; health and safety; working conditions, including training and skill development, remuneration, working hours, freedom of association, social dialogue, and the combating of modern slavery, human trafficking, and child labor; protection of the environment and local communities; privacy and digital ethics; the combating of corruption, fraud, and market abuse; compliance with embargoes, trade sanctions, export control rules, and competition laws; and relations with third parties.

They serve as a shared foundation for all the companies within the Air France-KLM Group and support new initiatives, procedures, rules, and Codes of Conduct, and are used in building training material on compliance domains for the employees of the Air France-KLM Group.

These Air France-KLM Principles also apply to all Air France-KLM stakeholders, irrespective of their nature, and the Air France-KLM Group encourages all its customers, shareholders, business partners, and local communities to comply with them.

4.3.1.7.3 Processes in place to engage with own workers and workers' representatives – Working rights and human rights (S1-2)

All employees of the Air France-KLM Group may access these Air France-KLM Principles through their respective intranets and the Air France-KLM corporate website.

If employees have a question or comment related to these topics, they can reach out to their HR department or their manager.

4.3.1.7.4 Channels for own workers to raise concerns – Working rights and human rights (S1-3)

As mentioned, the Group has affirmed its commitment to fostering a climate of trust and mutual respect in a work environment where no form of discrimination, microaggression, or harassment is tolerated (see section 4.3.1.5.2). This zero-tolerance policy is supported by the commitment to increase the awareness of protection and improve preventive measures. A warning procedure is also available (see section 4.3.1.5.4).

In addition, the Principles remind employees of the speak-up policies and reporting tools to ensure that incidents can be investigated and remedied.

The steps are described as follows :

"Implementation: Reporting your concerns

- 1) *Manager – The first point of contact to make a report is your hierarchical manager.*
- 2) *Escalation point :*
 - *Responsible / Relevant Department – If reporting to a hierarchical manager is impossible or undesirable, individuals may also submit their reports to a relevant department or the Compliance Officers. Certain Principles have specific reporting mechanisms in place for which detailed information can be found in the applicable policy (e.g., Human Resources, Compliance Office, Procurement, Data Protection Office).*
 - *Company Employee Representatives in countries where they exist or, as a last resort, individuals can contact the Select Committee of the European Works Council.*
- 3) *Whistleblowing Procedures – In exceptional circumstances, a report can be made using the Whistleblowing Procedures available on the airline's online portal.*

Prior to opening a case, individuals are encouraged to follow the escalation process mentioned above.

We listen to each other openly and without prejudice. Creating an atmosphere of tolerance and transparency is our priority. We therefore encourage our colleagues to speak up about their concerns. It is important for us to have clear and easy reporting channels.

Many of our Principles are detailed in policies and documents with specific reporting mechanisms and procedures. The resources are available on our external corporate websites or internal intranet platforms. Employees are encouraged to make use of these.

Transparency and Trust are intrinsic to our corporate culture and crucial to the effectiveness of our Principles. We do not retaliate against those reporting their concerns using this structure. Any case brought forward shall be dealt with fairly and confidentially."

Extract from Air France-KLM Principles approved in July 2020 (page 10).

4.3.1.7.5 Targets – Working rights and human rights for own workforce (S1-5)

The Air France-KLM Group recognizes the importance of addressing human rights concerns within our operations. In line with our commitment to responsible business practices, we are actively working on strengthening our human rights risk assessment procedures. This includes the implementation of an adaptation plan that will further enhance our ability to identify, prevent, and mitigate any potential adverse human rights impacts associated with our business activities.

4.3.1.7.6 Action plans in place or planned – Working rights and human rights (S1-4)

Human rights are the foundation for social, economic, and cultural cohesion within each company and across the Air France-KLM Group. Every employee of Air France-KLM has the right to working conditions that protect their health, safety, and dignity and guarantee a social dialogue.

Within the framework of its activities, the Air France-KLM Group has identified the risk factors relating to human rights. The measures put in place to mitigate these risks fall into a number of different categories: health and safety of individuals, equal opportunity, achieving a better work/life balance, and data protection procedures to protect the personal data of customers and employees (see sections 4.3.4.3.4 “Data privacy and security”, 4.4.1.1 “Corporate culture (G1-1)” and 4.4.1.6 “Personal Data Protection”). The French entities of the Air France-KLM Group are required to implement all measures necessary to ensure the safety and protection of the physical and

mental health of workers in terms of instructions, training, materials and tools, protection equipment, organization of working conditions, and interactions to prevent harassment, etc. pursuant to French law (article L. 4121-1 to 5 of the French Labor Code), failing which criminal liability may be incurred. All entities of the Air France-KLM Group apply security and safety principles, which may even be reinforced by the applicable local regulations of the country of registration of such entities.

Air France has taken measures to raise employees' awareness regarding human trafficking, to help them identify at-risk situations and take action against this form of international organized crime, comparable with modern-day slavery. Whether it is trafficking for the purpose of forced labor or crime, sexual exploitation, illegal adoption or forced marriage, child soldiers, organ trafficking, or other forms of human exploitation, the ground staff and flight crews should be able to recognize behavior that may seem abnormal or concerning and, in the event of suspected human trafficking, report the event as soon as possible and in accordance with the internal instructions. These actions were initiated in 2019.

4.3.1.7.7 Metrics – Working rights and human rights impacts (S1-17)

Complaints and incidents

Complaints filed by employees

This is the number of complaints filed through channels for employees to raise concerns. This number is the sum of all complaints within the Air France-KLM Group that were received, analyzed, and confirmed through the relevant channels.

Incidents of discrimination, including harassment

The number of incidents of discrimination include work-related incidents of discrimination on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders within Air France-KLM in the reporting period. Incidents of harassment as a specific form of discrimination are included in this number. The definition of cases of discrimination and harassment complies with the applicable local laws and regulations and internal definitions when applicable.

Severe human rights incidents

Severe human rights incidents involving Air France-KLM employees are reported when brought to the knowledge of Air France-KLM through any available channels (including internal mechanisms, official lawsuits, or relevant public claims).

Incidents, complaints, severe human rights impacts	2024
Complaints filed by employees	57
Complaints filed to national contact points within OECD	–
Incidents of discrimination (including harassment)	20
Severe human rights incidents	–
Severe human rights incidents (UN/ILO/OECD Framework)	–
Compensation and fines (in € millions)	2024
Fines, penalties, and compensation for damages as a result of severe human right incidents	–
Fines, penalties, and compensation for damages as a result of the incidents and complaints	0.2

4.3.2 Workers in the value chain (ESRS S2)

4.3.2.1 Interaction between IROs, strategy and business model (ESRS2 SBM-2, SBM-3)

The value chain of Air France-KLM (see section 4.1.2.1 “Strategy, business model and value chain (ESRS2 SBM-1)”) consists of several major upstream suppliers (OEMs and MRO providers, fuel and SAF suppliers, airports, ground handlers, catering providers), some of which also act as downstream partners (cargo shippers). For downstream distribution of its transportation services, Air France-KLM cooperates with intermediaries such as travel and corporate agents, e-agents and freight forwarders.

The policies, targets, and action plans in this chapter apply to the upstream suppliers contracted by the two largest airlines within the Air France-KLM Group, Air France and KLM. This is the vast majority of the Group’s suppliers. The Air France-KLM Procurement department leads the contracting process for these suppliers.

4.3.2.1.1 Interest and views of stakeholders (ESRS2 SBM-2)

The Air France-KLM value creation model addresses the various value chain partners as important Air France-KLM stakeholders. The Group has carried out a double

materiality assessment (DMA), enabling the priorities key to the Group’s activity to be assessed and the results to be compared with those from previous materiality analyses. The Group involves upstream suppliers in this assessment. During the double materiality assessment, a group of contracted upstream suppliers from the aeronautical sector were interviewed to identify (among other things) impacts, risks, and opportunities that the Group could generate for their workers. The involved suppliers were all contracted by the two largest airlines within the Group, Air France and KLM. Through its “Air France-KLM Procurement” website, the Air France-KLM Procurement team maintains an ongoing dialogue with these suppliers, informing them, among other things, of its policy and commitment to sustainable development.

To understand how Air France-KLM engages in a dynamic dialogue with its stakeholders, considering their perspectives through multiple channels, please refer to the more detailed information provided in section 4.1.2.2 “Interest and views of stakeholders (ESRS2 SBM-2)”.

4.3.2.1.2 Material IROs – Workers in the value chain (ESRS2 SBM-3)

The table below shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Working conditions & social dialogue for value chain staff	N: Workers in the Air France-KLM value chain could be negatively impacted by working conditions & social dialogue (including working & human rights)	VC	R: Financial risk as a result of disruptions in the supply chain due to conflictual working conditions & social dialogue and damages to Group’s reputation	short/medium

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 “Process to identify and assess material impacts, risks and opportunities (IRO-1)”.

The contracts with downstream value chain partners either contain references to the Air France-KLM Principles or contractual clauses referring to the application of laws and regulations pertaining to labor protection and working conditions (see section 4.3.2.2 “Working conditions for value chain staff and social dialogue with value chain staff (S2-1, S2-2, S2-3, S2-5, S2-4)”).

In the double materiality assessment, it was identified that workers (in general) in the Air France-KLM value chain could be negatively impacted by working conditions and social dialogue. No positive impacts were identified.

In addition, it was concluded that disruptions in the supply chain due to conflictual working conditions and social dialogue could have a financial risk and result in damages for the Group’s reputation.

The current procurement risk screening tool incorporates geography and industry data provided by EcoVadis and enables the Group to identify risks related to working conditions and social dialogue.

The Air France-KLM Procurement department is reassessing its procurement risk screening system to (also) better assess the nature of risks (systemic vs. individual). The implementation of category management and the reassessment of the procurement risk screening process will enable enhanced identification of specific groups of value chain workers that are most impacted/dependent or are at material risk.

During the DMA, working conditions and social dialogue were identified as two material topics for workers in the value

chain. However, in the last years, few risks and actual impacts have been detected, which is why there is no structural process in place yet to incorporate identified material impacts/risks/opportunities for value chain workers in the Air France-KLM strategy and business model.

As part of its Responsible Procurement program, Air France-KLM is looking into initiating dialogue with upstream contracted suppliers on the sustainable development priorities and implementation of innovative solutions (positive impact).

4.3.2.2 Working conditions for value chain staff and social dialogue with value chain staff (S2-1, S2-2, S2-3, S2-5, S2-4)

4.3.2.2.1 Policies – Value chain workers (S2-1)

The Air France-KLM Principles define high-level ethical standards for all companies within the Air France-KLM Group. Air France-KLM encourages all parties within the value chain – both upstream and downstream – to engage with these principles and apply them to all value chain workers. These principles are based on the United Nations (UN) Global Compact, the Universal Declaration of Human Rights, and the ILO's Conventions on Fundamental Principles & Rights at Work. The Air France-KLM principles cover topics such as working conditions and freedom of association/collective bargaining/social dialogue. The principles have been developed in cooperation with the European Works Council and staff representatives.

As explained in 4.3.2.2.1 "Policies – Value chain workers (S2-1)", a special program was developed under the leadership of Air France-KLM SVP Procurement specifically for all upstream value chain suppliers (as listed in 4.3.2.2 "Working conditions for value chain staff and social dialogue with value chain staff (S2-1, S2-2, S2-3, S2-5, S2-4)") contracted by the two largest airlines within the Group, Air France and KLM. This Air France-KLM Responsible Procurement program supports a sourcing process that aims to select more sustainable products, services, and business partners that align with Air France-KLM's sustainability ambitions. The foundation of this program is a risk-based approach identifying high-risk and critical suppliers as the Group's primary focus in its commitment to value chain due diligence. This risk mapping system is based on Air France-KLM's procurement categories and links these categories to the UN ISIC categories and their ESG risk level.

This program consists of:

- a Supplier Code of Conduct, which is mandatory for all Air France-KLM Procurement contracted upstream suppliers;
- an EcoVadis Assessment (mandatory for all Air France-KLM Procurement high-risk contracted upstream suppliers), which covers topics including working conditions and social dialogue.

At the beginning of the procurement contracting (or sourcing) process, the Air France-KLM Procurement department makes (potential) upstream suppliers of Air France and/or KLM aware of the responsible procurement policy and the suppliers' involvement. As a point of departure, the Group requires its contracted upstream suppliers to sign the Air France-KLM Supplier Code of Conduct. The development of the Air France-KLM Supplier Code of Conduct was prompted by the introduction of the French Sapin 2 "anti-corruption" law in 2016 and the French Duty of Vigilance Law on human rights abuses and environmental violations in 2017, as well as the UK Modern Slavery Act in 2015. These acts and other (pending) legislation on Corporate Supply Chain due diligence, such as EU Directives, resulted in a Supplier Code of Conduct with an explicit focus on human rights and labor conditions that suppliers and vendors to Air France-KLM are expected to carry forward in their own operations and supply chains.

In the Supplier Code of Conduct, Air France-KLM states that it promotes that any inappropriate business behavior within the company can be reported in accordance with its "Speak Up" policy. This appeal does not only apply to its own workforce but extends to anyone who comes into contact with Air France-KLM as a result of their work.

The Supplier Code of Conduct is based on the ten principles of the UN Global Compact as well as related international standards, including but not limited to the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the Children's Rights and Business Principles, the Core Convention of the International Labor Organization (ILO), the OECD Guidelines for Multinational Enterprises, and anti-bribery laws. The Code of Conduct covers social topics such as freedom of association and collective bargaining, wages and working hours, and health and safety. It is regularly updated by Compliance and Procurement domains to ensure its alignment with the applicable regulations.

Air France-KLM and its largest downstream IT supplier have contractually agreed to comply with all rules and regulations pertaining to labor protection and working conditions and allow staff to benefit from social laws and collective agreements.

For a description of the Vigilance Plan, including the French Duty of Vigilance law, please refer to section 4.7 "Monitoring of Act No. 2017-399 known as the Duty of Vigilance Law".

4.3.2.2.2 Engagement process with workers in the value chain (S2-2)

Air France-KLM buyers engage with the account manager of contracted suppliers before and after the initiation of an EcoVadis assessment (regarding Air France-KLM's expectations of suppliers and regarding the initiation of a Corrective Action Plan in the event of an insufficient score, respectively).

The ultimate responsibility for engagement with contracted Air France-KLM suppliers regarding identified risks lies with both the involved senior management (EVP/SVP/VP) as well as with the Air France-KLM Domain Procurement Officer (DPO). In the event that suppliers do not respond and/or adhere to the applicable procurement policies, these senior managers need to approve exceptions.

There is no formal process in place yet to assess the effectiveness of the engagement process.

Air France-KLM has not signed any Global Agreements on Fundamental Rights and Social Responsibility (for own workers or for value chain workers).

4.3.2.2.3 Processes to remediate negative impacts – Workers in the value chain (S2-3)

In general, Air France-KLM has incorporated the UN Global Compact principles and OECD guidelines in all policies regarding workers in the value chain.

For contracted upstream suppliers, the Air France-KLM Procurement department has a risk screening process in place, which incorporates EcoVadis risk data, which is the basis for engagement by an Air France-KLM buyer with its formal contact with a supplier. This risk screening and assessment process is a continuous process.

The current risk screening and assessment process does not yet enable identification of more vulnerable value chain workers.

If negative impacts are detected, the Air France-KLM Procurement department will request that its regular supplier contact person develop and implement a Corrective Action Plan (CAP). During the implementation of this CAP, its effectiveness is actively monitored.

In order for value chain workers to raise concerns, Air France-KLM has a number of feedback mechanisms in place: both Air France-KLM and stakeholders' staff (including contracting parties, service providers, suppliers, subcontractors), regardless of their location, can file a report via the Integrity Line (online webpage). In its Supplier Code of Conduct, which is published on its website, the Air France-KLM Procurement department explains that anyone who comes into contact with Air France-KLM can report suspicion of inappropriate business behavior as explained on the website of Air France-KLM.

Air France-KLM has designated dedicated, impartial, and trained employees internally in charge of processing the reports received with the online tool. They check that the report meets acceptability criteria, and they contact the whistleblowers. Strict confidentiality is guaranteed with regard to the identity of the whistleblowers and the targeted persons as well as to the information collected by the recipients.

There is no formal assessment process in place yet to assess awareness and trust or to protect against retaliation.

4.3.2.2.4 Targets – Workers in the value chain (S2-5)

To assess the effectiveness of the Responsible Procurement Program, Air France-KLM Procurement applies strict targets as to compliance with the Supplier Code of Conduct (2024 target: 85%; 2024 result: 84%) and the EcoVadis assessment (2024 target: 470 assessed suppliers with a score above or equal to 45; 2024 result: 596 assessed suppliers). These targets are reviewed on a yearly basis. The responsibility for realizing these targets lies with the senior management in Air France-KLM Procurement.

There is no formal process in place yet to engage value chain workers (or their representatives or credible proxies) in the target definition, performance tracking, and performance improvements.

4.3.2.2.5 Action plans in place or planned – Workers in the value chain (S2-4)

The following action plans are in place:

- empowering the buyers (buyer engagement):

- All buyers must sign a Code of Ethics, which outlines the ethical rules they must follow when dealing with suppliers. In this Code of Ethics, it is specifically stated that procurement functions must be very vigilant in ensuring that working rights and social dialogue regulations are complied with within the contracted suppliers.

- All new buyers attend a “License to Buy” training, which provides a full-day classroom training, including exercises, on ESG topics with an emphasis on context, company ambitions, and the role of the buyer. For all procurement staff (management and buyers), there is a training program that includes workshops on the Supplier Code of Conduct and the EcoVadis model. Furthermore, there is an ESG ambassador network with buyers from all purchase domains for the sharing of information and best practices. A Procurement Academy was launched, offering training on various sustainability topics. This is a mandatory e-learning program for procurement staff and includes a section on sustainability;
- mobilizing and innovating with suppliers (supplier engagement);
- participating in the Aviation Initiative for Responsible Procurement (AIRPro): members – together with EcoVadis – aim to introduce similar standards for responsible procurement, increase supply chain transparency, and support the transition of the aviation industry toward sustainability.

4.3.3 Affected communities – Noise management (ESRS S3)

4.3.3.1 Interaction between IROs, strategy and business model (ESRS2 SBM-2, SBM-3).

4.3.3.1.1 Interest and views of stakeholders (ESRS2 SBM-2)

Air France-KLM considers the interests and views of stakeholders and residents around airports regarding noise pollution as stipulated by EU Directive 2002/49/EC⁽¹⁾.

This directive ensures that the interests and views of stakeholders are considered by requiring each Member State to assess noise pollution through noise maps and action plans. It also emphasizes the active participation of the public and stakeholders at every stage of the process. This includes local authorities, infrastructure managers, representatives of civil society, and citizens themselves. These stakeholders express their concerns and suggestions through mandatory public consultations. Information on noise maps and action plans are publicly accessible to foster a shared understanding and coordinated approach to managing noise pollution⁽²⁾. This process enables Air France-KLM to gather the views of its stakeholders, people living near airports:

- In France, Environmental Noise Protection Plans (PPBEs)⁽³⁾ have been set up to prevent and reduce the effects of noise pollution from major infrastructures. PPBEs are a regulatory tool resulting from European Directive 2002/49/EC to prevent and reduce the effects of noise pollution, whose negative consequences on the health and quality of life of the population are known. For airports, they are drawn up by the prefect. They are updated every five years. The assessment and evaluation of PPBEs are based on noise maps modeled by public engineering bodies (Cerema, Bruitparif) and approved by the state. These plans are made available to the public for a period of two months so that anyone can comment on them.

- In the Netherlands⁽⁴⁾, the approach is steered by the Ministry of Infrastructure and *Rijkswaterstaat*, which manages national infrastructure. The ministry has drawn up an “Environmental Noise Schiphol 2024-2029” action plan in accordance with EU Directive 2002/49/EC on the evaluation and management of environmental noise. It describes the results of the strategic noise exposure maps (airport noise maps for Schiphol 2021⁽⁵⁾), and the evaluation of policy measures that have been and will be implemented to limit the noise from air traffic to and from Schiphol Airport. This action plan describes how the course set to limit noise pollution will be worked out for the coming planning period. For the 2024-2029 planning period, in addition to achieving the objective as laid down in the 2018-2023 action plan, a further reduction in noise exposure is envisaged to restore the balance between the use of the airport and the effects on the living environment around the airport. Within the planning period, efforts will be made to keep the number of residents and the extent of their exposure to aircraft noise (public interest in a healthy living environment from the Aviation Policy Memorandum) as low as possible and, at the same time, to consider the traffic functions (network quality, traffic, etc.) of Schiphol Airport.

In order to implement these plans to improve noise pollution, a balanced approach procedure has been launched, an approach developed by the ICAO and adopted by European regulations, aimed at improving the noise environment around European airports and promoting greater compatibility between aviation activities and residential areas.

The Air France-KLM Group is fully committed to this balanced approach.

⁽¹⁾ <https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32014R0598>; <https://eur-lex.europa.eu/eli/reg/2014/598/oj/eng>

⁽²⁾ <https://open.overheid.nl/documenten/a88f9b20-4f7a-4730-bc29-2a65832253ba/file> - For stakeholders, see the enclosed file, Appendix H: Nota van Antwoord.

⁽³⁾ <https://outil2amenagement.cerema.fr/outils/plan-prevention-du-bruit-dans-lenvironnement-ppbe#:~:text=Le%20PPBE%20est%20un%20outil%20d%E2%80%99action%20pour%20pr%C3%A9venir,infrastructures%20ou%20ferroviaires%20ou%20constat%20des%20certains%20agglom%C3%A9rations>

⁽⁴⁾ <https://open.overheid.nl/documenten/a88f9b20-4f7a-4730-bc29-2a65832253ba/file>

⁽⁵⁾ <https://open.overheid.nl/documenten/ronl-f240907b258252dcc842c5c9ff8486e4e94268c0/pdf>

4.3.3.1.2 Material IROs – Noise management (ESRS2 SBM-3)

The table below shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Noise management	N: Noise hindrance of Air France-KLM activities can have negative impact on living conditions of communities close to Air France-KLM hubs	OO	R: Financial risk as a result of noise regulations leading to activity constraints (loss of airport slots) or increase in costs	short/medium

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

Air France-KLM's double materiality assessment identified noise generated by its air transport activities as a material issue for the Group. Consequently, the management of noise generated by its activities is a priority for the Air France-KLM Group. This concerns noise pollution from Air France-KLM activities, which can have a negative impact on the living conditions of communities close to Air France-KLM's main bases, Charles de Gaulle (CDG), Orly (ORY), and Schiphol (SPL).

Air France-KLM's material risks relating to noise management are impact risks (noise pollution) and financial risks arising from noise pollution regulations. These regulations may result in business constraints (risk of reduced airport accessibility or capacity due to reduced traffic) or increased costs. These risks have been assessed as short- and medium-term risks.

4.3.3.2 Noise management (ESRS S3)

4.3.3.2.1 Policies – Noise management (S3-1)

Air France-KLM recognizes its responsibility to minimize noise pollution for those living near airports. This commitment, formalized in the Air France-KLM Principles⁽¹⁾, reflects the Group's dedication to balancing operational efficiency with environmental responsibility, ensuring more sustainable air travel that respects local communities.

The most senior level in the organization accountable for the implementation of these principles is the Air France-KLM Group Executive Committee (see more information in section 4.1.3.1 "The role of the administrative, management and supervisory bodies (GOV-1)").

4.3.3.2.2 Engagement process – Noise management (S3-2)

Air France-KLM actively works to limit its noise footprint by engaging in dynamic dialogue with residents and other stakeholders near its operations. The Group collaborates with local communities, airport and air navigation authorities, and representatives in dedicated bodies such as Environmental Consultative Committees⁽²⁾ (CCEs) led by French departmental prefectures and "Klankbord groepen"⁽³⁾ working groups for the Netherlands. These committees aim to develop

sustainable, compromise-based solutions that balance operational activities with the interests of residents. They bring together all stakeholders involved in the airport environment, including aviation industry professionals, local government representatives, resident associations, and environmental protection organizations.

Air France-KLM engages with affected communities with respect to noise impacts through continuous dialogue with stakeholders in all territories, including the representatives of local communities, airport authorities, and air traffic control. By participating in commissions such as, for Air France, the Environmental Consultative Committees (CCEs), the Advisory Residents Assistance Commissions (*Commissions consultatives d'aide aux riverains* (CCARs)), and the working group on night flights, and for KLM, the national reflection group, the "cleaner, quieter, and stronger" workgroup (Minder Hinder), Air France-KLM aims to identify measures that can reduce noise hindrance and improve the quality of the local environment.

Environmental Noise Protection Plans (PPBEs), established within the framework of European Directive 2002/49/EC, are updated every five years. The mandate for the Environmental Consultative Committees (CCEs) is three years.

⁽¹⁾ https://www.airfranceklm.com/sites/default/files/2022-12/AFKLM%20Principles_2021_EN.pdf

⁽²⁾ <https://entrevoisins.groupeadp.fr/questions/quest-ce-quune-commission-consultative-de-lenvironnement-cce/>

⁽³⁾ <https://zoek.officielebekendmakingen.nl/kst-29665-496.pdf>

In France, whenever possible, for all French airports where Air France-KLM is present, Air France and Transavia France request to be an official member of the Environmental Consultative Committees (CCEs), the regulatory and preferred platform for consultation with populations living near airports. As of December 31, 2024, Air France is a member of 17 CCEs in France, including those for Paris-CDG and Paris-Orly. Furthermore, where they exist, Air France is also a member of the Advisory Residents Assistance Commissions, subcommittees of the CCEs involved in the allocation of soundproofing aid intended to mitigate the nuisance suffered by residents. Air France and Transavia France also participate in sub-commissions and working groups related to air noise pollution to help seek the best solutions to limit its environmental externalities.

In the Netherlands, KLM, together with other airlines, participates in the Minder Hinder⁽¹⁾ ("Less Hindrance") program, in collaboration with Schiphol and Dutch air traffic control, to reduce noise pollution and improve local environmental quality. This program is continuously evolving, meaning that measures are updated and new ones are introduced whenever possible. Thanks to its website, stakeholders can keep track of measures, studies, and initiatives that will be implemented over the coming years to mitigate nuisance. The website also provides updates on measures deemed unfeasible or impossible to implement, ensuring transparency about expectations. Prior to the launch of the program, approximately 1,000 responses were collected from residents and municipalities, which were used to refine and enhance the program. In addition to the noise reduction program, KLM participates in the "National Sounding Board," a working group⁽²⁾ focused on developing a new noise management system alongside various stakeholders, including residents, municipalities, and environmental organizations. Together with the other domestic carriers, Schiphol, and Dutch Air Traffic Control (LVNL), KLM also participates in the sector consultations with the Ministry of Infrastructure and Water Management, where nuisance reduction is central. In the Netherlands, the "environmental noise Schiphol 2024-2029 plan" is scheduled to run for six years.

4.3.3.2.3 Processes to remediate negative impacts – Noise management (S3-3)

Air France-KLM is committed to flying in a more environmentally and socially responsible manner, in line with governmental and societal objectives, ensuring acceptability for our customers, employees, and shareholders. In this way, the Group actively participates in environmental noise protection plans. These plans comply with European Directive 2002/49/EC and aim to reduce noise pollution around airports. For the Air France-KLM Group, the process of

remediating the negative impacts of noise on local communities is based on close collaboration with the airport ecosystem, notably through public consultations.

The Group collaborates with EU Member States and other stakeholders to ensure compliance with the Balanced Approach⁽³⁾ process, integrated into European Regulation No. 598/2014⁽⁴⁾ and designed to improve the noise environment around European airports and promote better compatibility between aviation activities and residential areas.

On the Air France-KLM platforms, i.e., Paris-Charles de Gaulle, Paris-Orly, and Amsterdam-Schiphol, the Balanced Approach procedure is applied. The Balanced Approach requires that all available options be evaluated to identify the most cost-effective measure or combination of measures to mitigate a specific noise problem. The principle of the Balanced Approach entails identifying noise mitigation measures through four pillars, and then analyzing them with the goal of addressing the noise problem in a cost-effective manner that preserves the connectivity benefits at the airport.

The four pillars of the Balanced Approach are: 1. Reduction of Noise at Source, 2. Land-use Planning and Management, 3. Noise Abatement Operational Procedures, and, 4. as a last resort, Operating Restrictions.

The noise measurement indicators used in the regulations measure the average sound level over a specific period (day, night, etc.). They make it possible to synthetically represent the accumulation of noise from the LTO (Landing and Take-Off) cycles of aircraft movements over the specific period. Therefore, pillars 1 (Reduction of Noise at the Source) and 3 (Operational Procedures) are particularly effective in limiting noise pollution around airports.

Air France-KLM actively participates in the Balanced Approach at its hubs and all other Balanced Approaches launched by the French and Dutch Ministries of Transport in other airports. These approaches provide detailed forecast planning studies and socioeconomic impact analyses and help to find the best compromise-based solution sustainable for airlines and contributing to the reduction of noise pollution.

Mechanisms for affected communities to raise their concerns, such as consultative and action-oriented platforms like the Environmental Consultative Committee (CCE), Advisory Residents Assistance Commissions for Air France, and the National Sounding Board for KLM have been detailed in the previous paragraph 4.3.3.2.2 "Engagement process – Noise management (S3-2)". The issues raised by these consultative platforms are taken into account in the Balanced Approaches and actions.

⁽¹⁾ <https://minderhinderschiphol.nl/over-dit-plan/>

⁽²⁾ <https://zoek.officielebekendmakingen.nl/kst-29665-496.pdf>

⁽³⁾ Balanced approach: <https://www.icao.int/environmental-protection/Pages/noise.aspx>

⁽⁴⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014R0598>

4.3.3.2.4 Targets – Noise management (S3-5)

New-generation aircraft, which are at least 30% and up to 60% less noisy, are a powerful lever for reducing the noise footprint at airports. Air France-KLM has put in place a fleet renewal plan, progressively eliminating the oldest aircraft and aiming for up to 80% of its fleet to be new-generation by 2030.

The acoustic impact of the Air France-KLM Group is measured according to the eligibility of its fleet in operation for ICAO noise chapters. The indicator evaluates the percentage of aircraft according to their margin eligible under Chapter 14, the most efficient noise level for jet aircraft to date.

4.3.3.2.5 Action plans in place or planned – Noise management (S3-4)

The material risks and impacts related to noise pollution that could affect Air France-KLM, namely the risk of a reduction in airport slots, the risk of a drop in traffic or regulatory measures, commercial constraints, and increased costs resulting from noise regulations, are mitigated by the following measures:

- actions aiming to reduce noise at the source, such as fleet renewal,
- operational procedures such as flight route optimization, continuous descent (approach procedure).

Fleet renewal with more noise-efficient aircraft is a strong lever to mitigate noise around airports. Air France-KLM is continuously investing in fleet renewal with the latest-technology aircraft, which are at least 30% and up to 60% less noisy. The Group is also progressively accelerating the phase-out of aircraft that are the least adapted to its environmental roadmap. By 2030, up to 80% of Air France-KLM fleet will be composed of new-generation aircraft compared to 5% in 2019. In terms of noise reduction, the new aircraft entering the Air France-KLM fleet are estimated to reduce noise impact by approximately 30% to 60% compared to equivalent-sized previous-generation aircraft.

The details of planes that have already been ordered can be found in note 38 "Flight equipment orders" to the financial statements.

Operational procedures such as the optimization of flight routes and continuous descent also impact noise levels. Therefore, Air France-KLM is dedicated to minimizing its environmental impact through a range of measures, including collaboration with air traffic control to optimize descents and takeoffs. Additionally, Air France-KLM actively supports the French and Dutch governments and the Civil Aviation departments in the swift and broad adoption of continuous descent procedures at all airports.

In the Netherlands, on January 11, 2024, KLM and 30 other parties called for a common action program called "Together towards cleaner, quieter, stronger"⁽¹⁾. KLM expressed its commitment to working to reduce noise for residents living near Schiphol and other airports. Two briefings were held with the Ministry of Infrastructure and Water Management.

On December 6, 2024, the Dutch ministry notified, as part of the Balanced Approach procedure, the following package of measures:

- use of quieter aircraft at night;
- rate differentiation;
- additional fleet renewal;
- exclusion of noisy aircraft at night, down to -13 EPNdB⁽²⁾;
- a maximum of 27,000 night flights;
- capacity reduction to a maximum of 477,000 to 478,000 aircraft movements per year.

In France, noise restrictions also already apply to Paris-Orly and Paris-Charles de Gaulle airports:

- curfew and annual slot caps at Paris-Orly;
- nighttime slot cap at Paris-Charles de Gaulle;
- limited access during nighttime hours for the noisiest aircraft at both airports.

⁽¹⁾ Future-proof aviation for the Netherlands: The aviation industry's commitment to the Netherlands: <https://nieuws.klm.com/download/6fd9644e-2646-4125-a398-874fe631eed/10commitmentstoekomstbestendigeluchtvaartvoornederland.pdf>

⁽²⁾ <https://nieuws.klm.com/plan-klm-groep-geeft-grotere-reductie-geluidshinder-in-de-nacht/>

Two Balanced Approaches were launched in the Summer of 2023 for these two Paris airports and are still ongoing:

- For Paris-Orly, a draft new regulation⁽¹⁾ provides for a gradual introduction, between 2026 and 2029, of a strict curfew starting at 10:00 pm for the noisiest aircraft (those whose cumulative noise margin is less than 17 EPNdB). This new restriction, if officially promulgated by the government, will make Orly the strictest airport in Europe in terms of noise pollution, with only the quietest latest-generation aircraft being authorized to land or take off after 10:00 p.m.
- The Balanced Approach is less advanced for Paris-CDG. Air France is at the disposal of the competent authority to participate in the analyses and provide all its expertise on noise pollution.

By taking local measures to reduce noise impact and fostering relations with the surrounding communities and authorities, Air France-KLM is underlining its commitment to respecting and taking into account the concerns of the communities living near its activities.

The impact of Air France-KLM operations that may affect the health of communities near airports is addressed through insulation projects. In France, this is funded by the Airport Noise Tax (TNSA). In the Netherlands, it is supported by noise levies imposed by the government. In France, the Airport Noise Tax (TNSA), has been implemented in the largest airports in the country since 2004. The funds collected from airlines are dedicated to soundproofing homes located around the airports. In the Netherlands, around Schiphol airport, the airlines have also collectively contributed to noise levies over the past two decades, which have been spent on soundproofing and compensation for the loss of property value around the airport. In 2024, the Dutch Ministry decided to launch a new phase of the noise abatement program, with the introduction in of a new €25 million tax to supplement the €577 million already charged for insulating homes in the Schiphol area.

4.3.3.3 Metrics – Noise management

Acoustic impact

The Air France-KLM Group's noise impact is measured according to the eligibility of its fleet in operation for ICAO noise chapters. The indicator measures the percentage of aircraft eligible for Chapter 14, which contains the most stringent noise levels for jet aircraft to date.

Fleet in operation includes aircraft operated and temporarily out of operations (under maintenance or in preparation for future operations).

Acoustic impact	2024
Percentage of ICAO chapter 14 eligible aircraft in the fleet in operation	36.9%

In 2023, 100% of the Air France-KLM fleet was eligible for certification under the noise level criteria of ICAO Chapters 4 and 14. Therefore, in 2024, Air France-KLM decided to focus on Chapter 14, corresponding the strictest ICAO noise level criteria.

⁽¹⁾ <https://aviationweek.com/air-transport/safety-ops-regulation/french-government-rules-out-orly-curfew-extension-limit-noise>

4.3.4 Consumers and end-users (ESRS S4)

In the context of Air France-KLM, consumers and end-users are those who directly use the airline group's services. They can be categorized as follows:

- Individual Passengers: Individuals traveling for leisure or personal reasons. Passengers pay Air France-KLM for their journey, and in return, Air France-KLM guarantees their transportation from departure to arrival.
- Corporate Passengers: Individuals traveling for work-related purposes. A company pays Air France-KLM for an employee's travel, and in return, Air France-KLM ensures their transportation from departure to arrival.

Each group interacts with Air France-KLM differently, and the company works to meet their specific needs and expectations.

For more information on consumers and end-users, see ESRS2 sections 4.1.2.1 "Strategy, business model and value chain (ESRS2 SBM-1)" and 4.1.2.2 "Interest and views of stakeholders (ESRS2 SBM-2)", which provide more details on the value chain and the stakeholders.

4.3.4.1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities (ESRS2 IRO-1)

Please refer to the more detailed information provided in section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.3.4.2 Interaction between IROs, strategy and business model (ESRS2 SBM-2)

4.3.4.2.1 Interest and views of stakeholders (ESRS2 SBM-2)

Please find more information in ESRS2 section 4.1.2.2 "Interest and views of stakeholders (ESRS2 SBM-2)".

4.3.4.3 Customer engagement (S4-1, S4-2, S4-3, S4-5, S4-4, SBM-3)

4.3.4.3.1 Material IROs – Customer engagement (ESRS2 SBM-3)

The table below shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Customer engagement	N: Passengers can be impacted by lack of transparent information and assistance in case of flight disruptions or lack of accessibility of services (passengers with disabilities)	OO	O: Gain of reputation and customer loyalty for Air France-KLM by providing transparent information and assistance to its passengers	short/medium
	N: Passengers' right to privacy can be impacted in the event of personal data misuse or leakage	OO/VC	R: Financial risk as a result of damages to Air France-KLM reputation or fines related to lack of assistance, accessibility or data leakage	short/medium

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.3.4.3.2 Information and assistance to passengers for cancellations and delays (EU261)

In the event of flight disruptions and, specifically, cancellations or delays of flights operated by airlines of the AFKL Group, information and assistance to customers are provided according to the requirements of European Regulation (EU) 261/2004 ("EU261") as detailed below.

4.3.4.3.2.1 Policies – Information and assistance to passengers for cancellations and delays (S4-1)

Passengers' rights under (EU) Regulation 261/2004 of the European Parliament and the Council of the European Union are set forth in a comprehensive set of rules that safeguards the rights of passengers in the event of flight cancellations, delays, or denied boardings.

It mandates that airlines must provide assistance, compensation, and refunds depending on the circumstances and the length of the delay or cancellation. In terms of assistance, passengers are entitled to meals, refreshments, and accommodation, if necessary, during significant delays. Compensation varies between €250 and €600 based on the flight distance and duration of the delay.

The regulation also requires airlines to inform passengers of their rights and provide a complaint mechanism for unresolved issues.

Air France, KLM, KLM CityHopper, Transavia France, and Transavia Netherlands have adhered to this policy since its entry into force in 2005, and make sure that passengers' rights are respected in the event of flight disruptions on a daily basis.

Passengers' rights apply specifically in the following circumstances:

- the customer has a confirmed reservation on the flight;
- the customer is fully checked in at the time of the indicated check-in deadline or, if no time is indicated, no later than 45 minutes before the departure time;
- the customer is traveling at a fare available to the public or with a ticket issued under a frequent traveler program; and
- the customer is traveling on a flight departing from an airport within the European Union (EU).

If the customer is traveling on a flight departing from an airport in a third country (outside the EU), the rights to assistance and compensation apply only if he or she is traveling with a carrier from the EU and arriving at an airport located within the EU, and if no local regulation applies to departures from that third country.

If local regulations apply to departures from that third country, Air France and KLM also adhere to those regulations. Examples include the regulations implemented by the Department of Transport for US travel, the Canadian Transportation Agency for travel to and from Canada, and the *Agencia Nacional de Aviação Civil* in Brazil.

4.3.4.3.2.2 Engagement process – Information and assistance to passengers for cancellations and delays (S4-2)

All customers have access to this policy for information about their rights:

- At any time on all Air France/KLM/Transavia France/Transavia Netherlands websites.
- On these websites, customers can also contact Air France or KLM or Transavia France or Transavia Netherlands after a flight disruption and be guided to:
 - file a complaint to request what they may be entitled to: reimbursement of care and assistance costs or legal EU261 compensation;
 - or make a request for a refund if they decided not to travel due to the disruption.
- Information about passengers' rights is also pushed to any customers impacted by a disruption via emails sent to inform them of the disruption.

Within the Air France-KLM organization, the overall accountability for information and assistance to customers in the event of flight disruptions falls under the responsibility of the Executive Vice President of the Marketing Division. This responsibility covers both the steering of the digital websites enabling customers to be informed of their rights as passengers and to file a complaint or make a refund request, as well as the handling of customers complaints and refund requests by dedicated care and refund experts and assistants, among other things.

4.3.4.3.2.3 Processes to remediate negative impacts – Information and assistance to passengers for cancellations and delays (S4-3)

When flight disruptions have materialized despite all preventive measures, the approach to remediate negative impacts for customers includes compliance with Regulation 261/2004, which mandates assistance, compensation, and refunds for passengers in the event of cancellations and delays.

To achieve this, internal coordination is in place across several Air France, KLM, Transavia France, and Transavia Netherlands divisions to ensure adherence to EU regulations, with regular monitoring and adjustments based on European case law, ensuring passengers' rights are consistently upheld:

- Air France and KLM legal teams translate the content of the EU 261 obligations into compliant business guidelines to be met by Ground and Commercial operational teams, and continuously identify necessary adjustments to these obligations triggered by European case law.
- In line with these rules, on-site assistance to customers impacted by flight disruptions at the airport is delivered by Ground operations teams according to related requirements defined in the EU261 regulation. This assistance can include, for example, the provision of refreshments, meals, or accommodation in the event of a significantly delayed flight departure.

- Also, in line with the business guidelines driven by legal advice, the Customer Service Care and Refund department defines and implements operational instructions that apply to the handling of customer complaints and refund requests following flight disruptions. Furthermore, several projects have been initiated to digitize and automate the processes and further improve the claims handling.

All agents handling any Air France, KLM, Transavia France, or Transavia Netherlands customer complaints or refund requests have been trained with the same materials to apply relevant operational instructions defined to comply with this remediation policy.

These operational instructions, as well as the overall policy, are available on a shared knowledge database accessible by any agent at any time to support his or her day-to-day activity.

4.3.4.3.2.4 Targets – Information and assistance to passengers for cancellations and delays (S4-5)

To minimize the negative impacts of flight disruptions, Air France, KLM, Transavia France, and Transavia Netherlands make sure that impacted customers receive adequate information and assistance on the day of departure at the airport according to EU261 regulation.

Airlines also ensure that customers receive satisfactory replies to their complaints or refund requests after their journey, both in terms of response time and compliance with EU261 requirements relating to amounts of compensation and refunds.

Dedicated internal monitoring processes are in place to ensure these targets are continuously achieved and relevant action plans are activated if deviations are identified.

4.3.4.3.2.5 Actions plans in place or planned – Information and assistance to passengers for cancellations and delays (S4-4)

Air France, KLM, Transavia France, and Transavia Netherlands Operations departments implement structural action plans to improve the robustness of operations and thus reduce flight disruptions as much as possible:

- adaptation of the number of spare aircraft to reduce flight cancellations;
- outsourcing some maintenance activities(e.g., part of the Airbus A-check to Brussels and the Boeing 737 C-check to the UK) to increase maintenance capacities and resources and secure the availability of aircraft;
- improvement of key processes at the hub and international station, to streamline passenger, baggage, and crew flows in particular;
- optimization of the use of airport infrastructures in coordination with ADP and Schiphol Airport. This is a standard procedure to position the Group's (and partners') aircraft to optimize passenger, baggage, and crew flows;
- the Right on Time program to analyze and improve the departure process from the hub and improve D-0 (departure on time) performance;

- development of data analysis/artificial Intelligence and tools to improve operational performance (delay forecasting models, schedule design, etc.);
- common action plan with Eurocontrol and modernization of the Air Traffic Control (ATC) system in France to reduce ATC delays;
- continuous coordination with Air Traffic Control (ATC) at Amsterdam (*Luchtverkeersleiding NL (LVNL)*) to reduce the impact of ATC delays on departure and arrival punctuality.

4.3.4.3.3 Access to services for passengers with disabilities

4.3.4.3.3.1 Policies – Access to services for passengers with disabilities (S4-1)

Air France-KLM is committed to providing accessible services to all passengers, including those with disabilities. The policies of Air France and KLM regarding accessibility typically highlight their dedication to ensuring that all travelers receive the necessary assistance and accommodation to have a comfortable and safe journey, while complying with European and international accessibility regulations.

Air France and KLM are each responsible for their own accessibility policy to assist passengers with disabilities (PWDs) during their customer journey. The key points of the customer journey are booking, reservation of assistance and its communication, transportation of special (mobility) equipment in accordance with the baggage policy and baggage handling, assistance at the airport and onboard, medical equipment and mobility aids, service dogs, accessible aircraft cabin, and seating.

Air France-KLM is deploying a specific training plan for staff in contact with passengers with disabilities in accordance with European and international regulations. All staff in contact with passengers with disabilities have been trained to ensure they are particularly attentive and understanding of these passengers, and that their personal needs are met as effectively as possible.

Finally, the Air France-KLM digital accessibility policy is designed to ensure that their digital platforms are accessible to all users, including those with disabilities.

To ensure robust execution, the accessibility policy is safeguarded within the operating procedures of each business line.

Air France-KLM collaborates with its stakeholders in the development and implementation of its accessibility policy. Stakeholders include customers, association groups, regulatory bodies, internal staff, airports, and assistance service providers or accessibility consultants.

Transavia Netherlands is working on the implementation of an integral, company-wide, PWD policy on various subjects, such as the accessibility of information on the website and during booking and the assistance and information provided by the customer service centers.

4.3.4.3.3.2 Engagement process – Access to services for passengers with disabilities (S4-2)

Air France-KLM engages in dialogues with passengers with disabilities and other parties such as airports and other airlines to ensure a comprehensive understanding of their perspectives. Air France is in contact with associations in the disability sector to understand their needs and expectations for air travel. These associations also provide valuable feedback on products and services designed for passengers with disabilities. The aim is to maintain a lasting relationship with these associations by organizing regular meetings, thereby continuously improving the travel experience for all passengers.

4.3.4.3.3.3 Processes to remediate negative impacts – Access to services for passengers with disabilities (S4-3)

Air France and KLM ensure passengers with disabilities receive appropriate assistance through a comprehensive engagement process and remediation steps.

Passengers are encouraged to provide detailed information about their needs during booking and to notify the airline at least 48 hours before departure of any required assistance. The airlines offer a range of services, including mobility aids, special seating, and on-board support, while coordinating with airport authorities to facilitate smooth travel.

Air France-KLM is dedicated to enhancing the travel experience for passengers with visual and hearing impairments by providing tailored support throughout their journey. Air France-KLM ensures seamless accommodation from booking to destination.

Air France-KLM also prioritizes the careful transportation of mobility aids and service animals, recognizing their importance to passenger's independence. The goal is to ensure reliable and timely delivery, minimizing any potential disruptions.

Furthermore, Air France-KLM emphasizes continuous staff training to effectively assist passengers with special needs. This fosters empathy and proficiency for an inclusive travel experience, thus ensuring that all staff members are well-equipped with knowledge and skills to provide exceptional care and support to all customers.

In the event of negative impacts, passengers should inform airline staff immediately, and unresolved issues can be reported to customer service for investigation and resolution. Air France and KLM strive to address complaints promptly, offering apologies, refunds, or compensation as needed, and use feedback to continuously improve their services, ensuring compliance with international regulations.

4.3.4.3.3.4 Targets – Access to services for passengers with disabilities (S4-5)

Air France-KLM aims to make its services accessible to all passengers. In 2024, around 690,000 requests for assistance from Air France and 500,000 requests for assistance from KLM were processed. Air France-KLM aims to firstly ensure compliance with all local country legislation. Additionally, Air France-KLM efforts are focused on reducing the claims and damages caused in the servicing of passenger with disabilities, and on improving customer satisfaction.

To achieve this goal, Air France-KLM works with airports to provide appropriate assistance to each customer and continues to develop relationships with internal and external customers with disabilities and relationships with associations.

Regarding digital accessibility, Air France-KLM aims to offer its customers an accessible website and application, and to comply with the WCAG (Web Content Accessibility Guidelines)⁽¹⁾ requirements. The same applies to Transavia Netherlands, where the provision of information is considered key to a smooth customer journey.

These efforts are part of Air France-KLM's commitment to creating an inclusive travel experience for all.

4.3.4.3.3.5 Actions plans in place or planned – Access to services for passengers with disabilities (S4-4)

Continuously, Air France-KLM updates training materials and operating procedures, and ensures development of products and services that meet accessibility design requirements. To maintain its commitment to customers with disabilities and to facilitate their travel experience, Air France and KLM's dedicated assistance services for passengers with disabilities, SAPHIR (*Service d'assistance aux personnes handicapées pour les informations et la réservation*) and KLM Cares, provide tailored services such as facilitated booking procedures, airport assistance, baggage assistance, and special equipment on board. The information available on websites presents the different services available, enabling passengers to prepare for their journey with peace of mind. On booking, passengers with disabilities can request special seating arrangements depending on their disabilities. This may include seats with extra legroom or seats near the lavatories.

Air France-KLM works with airports to provide appropriate assistance to each customer and continues to develop relationships with internal and external customers with disabilities and associations.

⁽¹⁾ https://european-union.europa.eu/web-accessibility-policy_en

During the Olympic Games, Air France proactively offered some passengers the option to collect and deliver their mobility equipment directly at the aircraft door. After the Olympic Games, this service has been maintained on customers' request, provided that the acceptance conditions are fulfilled (Air France or HOP! operates the flight, the airport is eligible, etc.). Moreover, since the beginning of 2025, it has again been partially proposed in a proactive way for manual wheelchairs, and will be gradually extended to all stations, to KLM, and to electric wheelchairs.

Meanwhile, KLM is enhancing its procedures for handling wheelchairs in the cargo hold to prevent damage. Additionally, KLM plans to test and implement a wheelchair ramp delivery system, in alignment with Air France's approach.

Finally, Air France-KLM is implementing actions for greater autonomy for passengers with disabilities throughout their journey (digitally, at the airport, and onboard) in collaboration with its stakeholders.

Transavia Netherlands is working on various solutions to improve the customer journey of passengers with reduced mobility.

4.3.4.3.4 Data privacy and security

4.3.4.3.4.1 Policies – Data privacy and security (S4-1)

Data protection and cybersecurity constitute one of the top priorities of Air France-KLM, as any failure could impact its operational and economic performance and damage the trust of its customers.

In force since May 2018, the European General Data Protection Regulation (GDPR) has extended the rights of data subjects and strengthened the accountability and obligations of data controllers (who, for Air France-KLM, are the EVPs of each division, supported by a network of business privacy correspondents and advised by the Air France-KLM Privacy Officer and the airline Data Protection Officers (DPOs), who monitor compliance with the privacy legislation).

Since 2018, Air France-KLM has deployed and regularly enhanced internal policies and procedures to strengthen personal data protection, as well as cybersecurity programs, with particular attention to customers' personal data.

The internal privacy policies/procedures apply to all Air France-KLM staff. The responsibilities of Air France-KLM third parties are managed by means of data privacy clauses in the contracts.

For their customers, Air France, KLM, and Transavia Netherlands and France have issued privacy policies, which are published on their websites. The policies inform customers of how and why their personal data is being processed and protected and how they can exercise their rights.

The privacy policies apply to all customer personal data that is processed by Air France, KLM, and Transavia Netherlands and France, especially when customers make a booking, purchase a ticket, travel, purchase or use any services, visit the websites, use mobile applications, or interact with the airlines through the various channels available.

A specific privacy policy is also published on the Flying Blue website for the Air France-KLM loyalty program. It explains how customer personal data is collected and used in relation to the program (when customers become a member of Flying Blue, use the Flying Blue website or mobile apps, or contact Flying Blue).

4.3.4.3.4.2 Engagement process – Data privacy and security (S4-2)

Air France, KLM, Flying Blue Miles, and Transavia Netherlands and France have nominated Data Protection Officers (DPOs), as set forth in the GDPR, who are the point of contact of data subjects regarding any question relating to the processing of their personal data. When a customer wishes to exercise his/her rights regarding the processing of his/her personal data, he/she can simply send a request to the postal or email address provided to him/her on the websites or apps of Air France, KLM, Transavia Netherlands and France, and Flying Blue.

This dialogue with customers enables Air France-KLM to enhance its data protection procedures and processes while taking into consideration customers' most frequent requests. One example of process and procedural enhancements is the development of self-service so that customers can exercise their rights faster (e.g., to erase their personal data). The DPOs are also the point of contact for authorities in France and the Netherlands regarding any questions and in the event of investigations. DPOs also support the Air France-KLM teams in other countries (outside the European union) if local authorities have questions/inquiries.

4.3.4.3.4.3 Processes to remediate negative impacts – Data privacy and security (S4-3)

The Air France-KLM data privacy management system aims to prevent, mitigate, and remediate negative impacts, especially misuse/leakage of customer's personal data.

Air France and KLM DPOs have regular monthly meetings with the Air France-KLM Chief Information Security Officer (CISO) to discuss any cases that could have a negative or a positive impact on privacy, including the addition of extra security measures. The Air France-KLM CISO also has regular meetings with the Transavia CISO.

In the event of a data breach, a multidisciplinary response team is mobilized to act quickly, efficiently, and appropriately to the incident. The risks for data subjects/customers are assessed, and this triggers a notification to them when needed. Remediation plans are then quickly implemented.

An Air France-KLM Commercial Data Protection Committee regularly gathers all relevant teams to enhance data privacy compliance for our customers. Its objectives are to: manage the compliance of Air France-KLM's processing activities for customers; review/align the applicable data protection policies/procedures; manage the execution of Privacy Impact Analyses for projects/new processing activities; monitor the action plans for the implementation of customer data management procedures and, in particular, the exercise of GDPR rights; and monitor the performance of audits and the associated action plans.

The Cyber Business Continuity Plan (BCP) is tested annually and improved with long-term actions to maintain the highest cybersecurity level in the industry, including with all affiliates and suppliers. The 24/7 Security Operation Center, certified as a PDIS (security incident detection service provider) by the authorities, monitors all security events. The threat detection team ensures state-of-the-art cybersecurity for IT components. Every employee can declare a cyber event through a dedicated email or a request for support sent to the Air France and KLM Help Desk worldwide.

All Air France-KLM staff are regularly trained in data privacy and cybersecurity.

4.3.4.3.4.4 Targets – Data privacy and security (S4-5)

No specific targets have been set regarding data privacy.

For 2025, some KPIs are being discussed and should be monitored.

4.3.4.3.4.5 Actions plans in place or planned – Data privacy and security (S4-4)

In the past few months, a broad ranging program (called the "Privacy Maturity Program") has been launched with the aim to further improve the level of data privacy maturity in Air France, KLM, and the Air France-KLM joint businesses.

The Air France response to customer requests to exercise rights has been reinforced to improve the processing of requests (for example, with a self-service account deletion service).

A new mandatory Privacy Basics e-learning program has been launched in the second semester for KLM ground staff and will be extended to Air France staff in early 2025.

Actions have been taken to analyze and improve Air France-KLM compliance with some foreign privacy laws and will continue in 2025.

New tools from AMADEUS, based on AI, have started to be tested in 2024 for the Commercial domain and could be acquired in 2025 by the Air France-KLM CISO to improve business capacity and further detect and explain any potential misuse of personal data.

The customer sign-in process to access bookings and Loyalty Miles on the Air France-KLM websites is being strengthened with new two-factor authentication (2FA) features promoted by Air France-KLM CIS. These new 2FA features are progressively being introduced by Commercial Business wherever it brings added value for customers.

4.3.4.4 Operational Safety & Security of Air Transportation (S4-1, S4-2, S4-3, S4-5, S4-4)

For Air France-KLM and its airlines, operational safety and, by the virtue of its business, flight safety are paramount. They are key to retaining the trust of both customers and staff, and imperative for the long-term viability of its operations and of air transportation.

Within the context of a complex and changing environment, the Group strives to maintain the highest level of safety, thanks to its Safety Management System and its support of its safety players through specific measures.

4.3.4.4.1 Material IROs – Operational Safety & Security of Air Transportation (ESRS2 SBM-3)

The table below shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Operational safety & security of air transportation	N: Passengers and goods transported can be harmed in the event of incidents or accidents	OO	R: Financial risk as a result of potential damages to people and goods and Air France-KLM reputation in the event of incidents or accidents	short/medium

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.3.4.4.2 Policies – Safety and security of passengers (S4-1)

Each airline in the Group maintains and develops a Safety Management System (SMS) based on its respective Safety Policies, which hold formal approval by the Civil Aviation Authorities in each country.

Air France and Air France's HOP! Safety Policy, signed by the airlines' CEO, recognized that a high safety level is not only an obligation toward its customers and staff, but also an indispensable condition for its sustainability. It provides the guidance for achieving this goal by maintaining the highest possible safety level, considering best industry standards and compliance with regulatory requirements and company standards. The Safety Policy is also applicable to Transavia France.

The Air France Corporate Flight Safety and Risk Management Division now includes Occupational Health, Food Safety, and Environmental risks. This allows for a more comprehensive approach to the risks and the contributing factors. The HOP! Flight Safety and Risk Management Division includes Occupational Health and Security to allow for a more comprehensive approach to the risks and the contributing factors.

The KLM Safety & Security Policy gives guidance on how to maintain the highest levels of operational, occupational, and environmental safety and operational security within KLM. It is signed by the Accountable Executive (COO) of KLM and by all Accountable Managers represented in the KLM Safety Review Board (SRB), including the Accountable Manager of the subsidiary KLM Cityhopper.

Next to the general Safety and Security Policy, more specific policies exist for the following fields of safety and security interest: Contracted Activities, Fatigue Risk

Management, Occupational Safety & Health, Environment (including energy), and IT Business Continuity.

These specific fields of safety are an integral part of the KLM SMS.

The Transavia Safety, Compliance & Security Policy contains the principles that are essential to the safety and security of our operations, staff, and passengers. With this policy, Transavia commits to maintain a safe and secure operation and to continuously improve on safety and security. It applies to all employees and is signed by the Accountable Manager (Chief Operating Officer).

Each airline of the Air France-KLM Group has its own Air Operator Certificate and is therefore responsible for its own safety and security. Despite that, cooperations and regular exchanges of data and good practices are organized between those airlines of the Group.

Since Operational (Flight) Safety is an absolute priority for Air France-KLM, the Board of Directors conducts an annual review of the safety indicators (KPIs) and results and the measures in place to mitigate the impact of risks.

Within Air France, Flight Safety Committees, chaired by the Executive Vice Presidents responsible for the operational entities (Safety Action Groups), meet every quarter. Their task is to approve the action plans established to apply the orientations set by the companies, the outcomes of inquiries, and the results of supervisory acts.

These Committees are also tasked with sharing information on the emergence of new flight safety issues originating from feedback or risk analysis, by ensuring that the resources and action plans in place are adapted to the issues. These Flight Safety Committees are also applicable for Transavia France.

4.3.4.4.3 Engagement process – Safety and security of passengers (S4-2)

Air France-KLM engages with its passengers on several platforms and encourage them to share their experiences with its companies, both compliments as well as tips and suggestions for improvement. Whenever this concerns the safety of a flight, these messages are relayed to the proper operational departments for follow-up.

Furthermore, the Group's airlines engage in discussions with peers and regulators, for example, in standing committees within the IATA and the SkyTeam alliance.

4.3.4.4.4 Processes to remediate negative impacts – Safety and security of passengers (S4-3)

To achieve the highest possible standard of flight safety, each airline maintains, regularly updates, and reinforces its risk-based SMS, which defines the modalities in place within the airline.

Air France, KLM, Transavia France, Transavia Netherlands, and HOP! use the evaluation method for operational risks recommended by the European Aviation Safety Agency. They have deployed this method in all the operational entities and at all levels of the business. The management of flight safety risks, notably through systems compiling flight parameters and occurrence reports, enables threats to be identified, risks to be evaluated, the implementation of measures to prevent these risks, and the monitoring of the results obtained.

Further, it enables proactive management of the risks to maintain them below the level that is deemed acceptable to the responsible management. The management of flight safety risks is monitored by the Corporate Safety Departments of both airlines. An internal quality assurance procedure continuously evaluates the proper functioning of Flight Safety Risk Management. To this end, both Air France and KLM have decided to invest in new software tools for the management of safety data. These software tools concern the management of safety-related data, including the safety reports (dealing with flight safety, health at work, food safety, security, environmental risk, etc.) and the management of subsequent follow-up actions as required.

Air France is developing synergies between an array of progress-oriented and risk management approaches – Flight Safety, Health & Safety in the Workplace, Customer Service Quality, Operational Performance, Environmental & Sustainable Development, and Food Safety & Hygiene. This quality-based approach is the vector for the steering and management of the businesses, aimed at continuous improvement of results.

KLM deploys a similar approach. The company is building on the best safety and security practices through its Safety Management System (SMS), a working environment of continuous learning and improvement, and independent oversight of the four safety domains: operational, occupational, environmental safety, and operational security. KLM thus continuously aims to improve its industry-leading, risk- and performance-based Safety Management System, in which risk-based decisions are made by management responsible at all levels within KLM. The SMS is outlined in KLM's Safety Management System manual (SMSm) and has been approved by the Dutch Civil Aviation Authorities as part of the Air Operator Certificate.

Transavia also has a Safety Management System (SMS). This system provides an effective systematic approach that makes it possible to learn and improve continuously with respect to safety and security matters, while applying "just culture" principles. It also enables oversight of safety performance and risk-based decisions. The SMS is evaluated once a year by the Safety Review Board.

4.3.4.4.5 Targets – Safety and security of passengers (S4-5)

The safety and security goals and subsequent key performance indicators developed by Air France and KLM are meant to closely follow all safety and security events and therefore to provide a means to manage flight safety and security for passengers and staff maintaining them at the highest level.

4.3.4.4.6 Action plans in place or planned – Safety and security of passengers (S4-4)

All the Group's activities are subject to numerous checks and certifications, in particular, via the supervisory actions carried out by the Civil Aviation Authorities in each country and mandated through European Aviation Safety Agency (EASA) rules and regulations. These rules and regulations cover all aspects of operations, including maintenance activities and training of staff.

Other certifications like the Operational Safety Audit (IATA Operational Safety Audit – IOSA) and ISO certifications like ISO 14001 (environment) and ISO 50001 (Energy) are also supporting the safety ambitions of Air France and KLM.

Air France, KLM, Transavia France, Transavia Netherlands, and HOP! are EASA-approved airline operators and maintain their Airline Operator Certificates (AOCs) based on specific procedures and processes set forth by the EASA.

Air France's and KLM's IOSA certifications are continuously renewed following on-site and risk-based audits by specialist teams from IATA. For Air France, its most recent renewal audit based on the new risk-based approach was carried out in October 2024, with the next one planned for the end of 2026. KLM and KLM Cityhopper underwent this audit in November 2024; with the next one also planned for the fall of 2026. Based on the outcome, Air France, KLM, and KLM Cityhopper renewed their IOSA registration until the first quarter of 2027. At Transavia Netherlands, the risk-based audit performed by IATA is planned for early March. Based on the outcome of this audit, our registration is extended from the second quarter of 2025 to the second quarter of 2027. HOP! holds an Operational Safety Audit (IATA Operational Safety Audit – IOSA) certification (audit renewal will be carried out in June 2025).

All events and trends are analyzed, and action plans are elaborated to mitigate the risks. Regular meetings are organized to manage those events and trends, and specific action plan are launched, such as:

- Safety culture: Airlines have a safety culture program whose goal is to improve this culture for the staff. For example, Air France launched the Safety Attitude initiative for several years. It provides training, promotes safety visits, launches surveys to obtain feedback from the staff, performs specific communications, etc.
- Other actions may, for example, lead to the replacement of some equipment with new, higher-performing equipment or provide improved awareness to staff, as in the case of the Pilot Self-Debriefing, which enables each pilot to visualize his or her flights by using a specific tool based on recorded data
- Trainings are provided to staff with respect to their safety tasks. They are also meant to help them remain aware of their role in the Safety Management System. Those trainings take into account the lessons learned as provided by the SMS.

4.3.4.5 Metrics – Net Promoter Score (NPS)

For Air France-KLM, customer satisfaction is a key priority, and the Group is developing numerous initiatives to improve the customer's end-to-end travel experience. Customer satisfaction is notably measured through the Net Promoter Score (NPS), the reference indicator driving customer recommendations. Performance indicators and tools have been developed to track the results daily.

Customer satisfaction is fundamentally based on trust in the Group's airline activities. As a responsible airline

group, Air France-KLM must ensure the safety and health of its customers, employees, and partners. This commitment includes providing transparent information to passengers in the event of disruptions, ensuring service accessibility for passengers with disabilities, protecting personal data, and maintaining the highest standards of operational safety and security of air transport. Air France-KLM actively engages in these initiatives, which are crucial for enhancing consumer and end-user experiences.

The Net Promoter Score (NPS) is an indicator given by customers as to whether they would recommend the products and services of Air France, KLM, and Transavia (France and The Netherlands) in their capacity as airlines. It ranges from 0 to 10 (0 corresponding to "I will definitely not recommend" and 10 to "I will definitely recommend"). It corresponds to the difference between the percentage of promoter customers (who give scores of 9 and 10) and the percentage of customers critical of the brand (who give scores of 0 to 6). This concerns the response to the first question asked in Air France-KLM's e-Score online customer satisfaction questionnaire: "Based on your opinion and experience, how likely are you to recommend Air France/KLM/Transavia to your friends/colleagues?" For each brand, the indicator measured is the annual change in the NPS, calculated as an annual average.

Net Promoter Score (NPS)	Airline	2024
Annual change in the NPS	Air France	+2
	KLM	–
	Transavia France	-8
	Transavia Netherlands	-8

Despite the performance increase thanks to investments Air France made to further improve the customer experience, Air France's 2024 NPS target was not achieved due to several operational difficulties, including strikes, air traffic control disruptions, weather events, and fleet tension caused by a lack of spare parts. These issues significantly impacted customer satisfaction despite improvements in connecting passenger and luggage processing.

To address these challenges, Air France implemented several initiatives: a joint working group with Aéroports de Paris to enhance operational efficiency, increased luggage sorting capacity, anticipated maintenance part orders, and added reserve aircraft. Special attention was also given to communication and resolving disruptions for our customers.

Similarly, KLM's NPS target was not met due to operational disturbances early in 2024, such as baggage handling issues, fleet maintenance, and staff shortages. These issues affected the overall customer experience.

To manage these disruptions, KLM focused on seamless airport processes, improved customer assistance, and enhanced communication. Furthermore, KLM continues to invest in on-board comfort, including new World Business Class seats, a new Premium Comfort cabin, Economy Class seats, and WiFi, to further enhance the customer experience.

For both Transavia France and Netherlands, the decrease in NPS performance is mainly due to the introduction of paid hand luggage in the second half of the year and operational issues.

4.4 GOVERNANCE INFORMATION

4.4.1 Business conduct (ESRS G1-1, G1-3, G1-4)

The table below shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Business conduct, anti-corruption, protection of whistleblowers	N: Unethical practices can arise within Air France-KLM activities and its value chain	OO/VC	R: Financial risk as a result of damages to AFKL reputation and legal proceedings related to non-compliance with regulations on business ethics	short/medium

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

4.4.1.1 Corporate culture (G1-1)

Our commitments

As an international group with operations all over the world and employing a large number of staff, the Air France-KLM Group is committed to respecting both ethical values and the applicable legislation in all regulatory compliance domains.

The Air France-KLM Group recognizes and complies with the international standards applicable to legal entities in terms of ethics and compliance, including notably the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, the fundamental conventions of the International Labor Organization, and UNICEF's Rights of the Child and Business Principles.

We comply with all such legislation not just because we are required to do so, but also because it is an essential element of delivering on our corporate purpose and values and an imperative to be in a position to preserve competitiveness, company reputation, and durability of our activities.

Promotion of corporate culture within the organization

The promotion of the corporate culture in terms of business ethics is notably achieved through regular internal communication, awareness campaigns, and training within the organization.

The Air France-KLM Group also promotes the corporate culture in terms of business conduct through the Air France KLM Principles.

In July 2020, the Air France-KLM Group published the Air France-KLM Principles, which set out the values and fundamental rights within the Group. The Air France-KLM Principles were developed in cooperation with the European Works Council and staff representatives. The Air France-KLM Principles reaffirm to all employees the Air France-KLM Group's commitment to fostering a climate of mutual trust, respect, transparency, and confidentiality.

They include the commitments in respect of diversity and inclusion; health and safety; working conditions, including remuneration, working hours, freedom of association, social dialogue, and the combating of modern slavery and human trafficking; protection of the environment and local communities; privacy and digital ethics; the combating of corruption, fraud, and market abuse; compliance with embargoes, trade sanctions, export control rules, and competition laws; and relations with third parties.

They serve as a shared foundation for all the companies within the Air France-KLM Group and support new initiatives, procedures, rules, and codes of conduct. The Air France-KLM Principles apply to all employees within the Air France-KLM Group, including those working part-time and under temporary contracts. All employees of the Air France-KLM Group may access these Air France-KLM Principles through their respective intranets and the Air France-KLM corporate website.

Promotion of ethical business values toward our business partners

The Air France-KLM Principles also apply to all Air France-KLM stakeholders, irrespective of their nature, and the Air France-KLM Group encourages all its customers, shareholders, business partners, and local communities to respect them.

To this end, the Air France-KLM Group publicly communicates about the Air France-KLM Principles on its corporate website, and the principles and commitments are embedded in specific documentation applicable to the Air France-KLM supply chain (such as in the Supplier Sustainable Code of Conduct) and in the provisions of contract templates to be used when entering into commercial relationships with business partners.

In addition, as a signatory of the United Nations Global Compact since 2003, the Air France-KLM Group has undertaken to respect the ten principles of the Global Compact. It has incorporated these ten principles into its

strategy, policies, and procedures and actively promotes them to its partners and suppliers.

In the course of its relationships with its suppliers and subcontractors, the Air France-KLM Group is committed to ensuring that the fundamental principles and social rights are properly respected, everywhere in the world. Suppliers are requested to accept and comply with a Supplier Sustainable Code of Conduct based on the ten Principles of the United Nations Global Compact or to comply with their own Code of Conduct provided that its terms and conditions are as stringent as the ones in the Air France-KLM Supplier Sustainability Code of Conduct. They are also asked to verify such commitment within their own supply chain. Before entering into any undertakings and during commercial relationships with customers, suppliers, and intermediaries, the Air France-KLM Group ensures that the compliance and fair business conduct rules are duly respected through a third-party evaluation process in accordance with the Air France-KLM policy on third party selection and management.

4.4.1.2 Governance – Corporate culture in business conduct (G1 - ESRS 2 GOV-1)

Role and expertise of Top Management in corporate culture surrounding business conduct

The Air France KLM Group Top Management is highly involved in the definition, promotion, and monitoring of corporate culture surrounding ethical business conduct and associated actions to ensure that the Air France-KLM Group conducts business in full integrity, with fairness and transparency, and in compliance with all applicable laws on corporate compliance.

For that purpose, the Air France-KLM Group Top Management (i.e., the Air France-KLM CEO and Group Executive Committee) is in charge of the following main actions:

1) Implementing an organization and governance for compliance and business ethics matters

Appointment of an Air France-KLM VP Group Compliance Officer is validated by Air France-KLM Group Top Management, which also ensures that such person has sufficient autonomy, influence over internal stakeholders involved in compliance programs, experience, adequate resources, and high positioning to get direct access to Top Management for reporting.

As part of the compliance organization, the Air France-KLM Group Top Management also appoints compliance coordinators for their respective divisions so that compliance and business ethics matters are taken into account and deployed within the whole organization.

2) Validating and monitoring compliance programs and action plans

The compliance programs and derived yearly action plans prepared by the Air France-KLM Group Compliance team are validated and monitored on a quarterly basis by the Air France-KLM Group Top Management.

The Air France-KLM Group Top Management initiates the risk map campaigns, participates in the risk map exercise, and validates and monitors the global action plan and specific action plans for their respective divisions and teams whenever needed.

The Air France KLM Group Top Management validates the control framework for the compliance programs and the reporting mechanisms (including the whistleblowing tools). In the event of incidents, they are informed of well-grounded compliance cases and validate sanctions and remediation plans defined to correct the incidents.

They also request and review audits of compliance matters to be conducted as part of the yearly audit plan.

3) Fostering a culture of fair and ethical business conduct internally and externally

The Air France-KLM Group Top Management validates the codes and policies on compliance matters and ethical business (i.e., the Air France-KLM Group Anti-Corruption Code of Conduct, the Air France-KLM Group manual on competition rules, etc.) and communicates about internal rules and policies to their teams to cascade down awareness in the whole organization.

The Air France KLM Group Top Management also ensures training and awareness through validation of e-learning and training campaigns on compliance matters and closely monitors completion of e-learning to ensure that we reach a high completion rate, as part of our KPI.

The Air France-KLM Group Top Management also ensures that our rules and standards are promoted in relation to third parties with which the Air France-KLM Group engages in business relationships through validation of the strategy and associated actions (i.e., Supplier Sustainable Code of Conduct, performance of screening and due diligence on third parties from a compliance standpoint, etc.).

The Air France KLM Group Top Management expertise in compliance and ethical business conduct is achieved through active communication and awareness by the Air France-KLM Group Compliance teams and the follow-up on e-learning and dedicated training sessions (see notably the section on the functions that are most at risk in respect of corruption and bribery).

Role and expertise of supervisory bodies in corporate culture surrounding ethical business conduct

The Air France-KLM Board of Directors monitors the adequacy and efficiency of the measures adopted by the Top Management on compliance and business ethics, notably through participation in the Sustainable Development and Compliance Committee (SDCC) and the Audit Committee to review and provide feedback on the compliance programs and action plans.

The SDCC assists the Board of Directors in reviewing the Air France-KLM Group's policies on compliance and sustainability matters. It ensures that the Air France-KLM Group promotes long-term value creation and takes into

account ethical business conduct in its activities and in the establishment of the Air France-KLM Group's strategy by submitting recommendations to the Air France-KLM Board of Directors.

As part of its mission, the SDCC examines the sustainability-related risks, specifically those relating to ethical business conduct, and reviews the Group's compliance program and action plans and monitors their implementation to ensure their adequacy and efficiency.

These supervising activities are done during SDCC meetings, which should occur at least three times per year.

Workshops on sustainable business are also organized for Air France-KLM Board members.

4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4)

Disclosure of the functions that are most at risk in respect of corruption and bribery

Although all employees of the Air France-KLM Group may be potentially exposed to corruption cases, certain categories of personnel could be subject to a greater risk of exposure to corruption due to their functions.

The functions within the Air France-KLM Group that are most at risk have been determined based on the following criteria:

- their positioning: the persons who have functions with power to make decision or influence decisions at the highest levels of the organization are most exposed to risks. These include Senior Management and Top Management;
- their location: some countries are most at risk based on our review of (i) the Corruption Perception Index published each year by the association Transparency International, which ranks around 180 countries and territories around the globe by their perceived levels of corruption, and (ii) the legal watch done on corruption cases or investigations released on the competent authorities' websites or in press articles. It implies greater vigilance for these countries where some employees are located;

- the nature of the tasks they perform: functions that belong to procurement or sales departments have frequent interactions with many third parties, thus increasing the theoretical risk of being offered or requested undue advantages. The same applies to functions that carry tasks with interactions with public officials or politically exposed persons (such as public and international affairs) or in sponsoring or patronage events;
- the outcome of the corruption risk map for the divisions/departments to which the employees belong.

Due to this increased risk exposure to corruption for the above listed functions, specific measures are dedicated to them. Such measures may consist of:

- specific documentation (i.e., code of ethics for procurement function, for financial function);
- specific in-class training (for Top Management, Senior Management, and functions at risk, in addition to e-learning opened to all employees);
- specific actions part of the action plans derived from corruption risk map;
- specific controls to be implemented on the tasks performed by such functions (controls on gifts and hospitality, for instance).

Detection and prevention of corruption

The Air France-KLM Group has set up an anti-corruption program, which includes policies, risk mapping, awareness and training, remediation and sanction mechanisms, reporting mechanisms, and a controls framework.

This anti-corruption program applies to all staff of the Air France-KLM Group, irrespective of the nature of their employment contracts (i.e., interns, apprentices, temporary workers, etc.), the work duration (full- or part-time), their position, their function (with specificities for high-risk functions), and their location worldwide (outstations, subsidiaries, etc.).

The Air France-KLM Group also promotes its anti-corruption program and zero-tolerance policy to external parties working with the Air France-KLM Group (i.e., customers, suppliers, providers, agents, consultants, partners, etc.) and requests that they commit to the same rules and standards with respect to anti-corruption.

Policies

The Air France-KLM Group is committed to conducting business with loyalty, fairness, transparency, honesty, and integrity in strict compliance with the anti-corruption laws in all the countries where its entities are registered and operate.

To this end, the Air France-KLM Group has implemented internal rules consistent with the requirements of the various anti-corruption laws, including the French Sapin 2 Act, the UK Bribery Act, and the US Foreign Corrupt Practices Act. The Air France-KLM Group regularly reviews and updates its internal documentation to take into account changes in legislation and recent case law, as well as the results of risk mapping and any reported incidents.

The Anti-Corruption Code of Conduct and its policies

Scope

The Air France-KLM Group Anti-Corruption Code of Conduct, including its six policies attached as appendices, sets out the rules that must be complied with by all employees and directors of the entities of the Air France-KLM Group as well as by any third parties with whom it does business. It applies irrespective of the nature and duration of the employment contracts and wherever the staff (full- or part-time, fixed-term or not, trainees, interns, apprentices, employees) is located and in all controlled entities of the Air France-KLM Group.

Purpose

The purpose of the Air France-KLM Group Anti-Corruption Code of Conduct is to enable employees to clearly understand the risks that relate to or may be generated from their activities within the Air France-KLM Group with external parties and how to avoid them and how to behave if they detect or witness any risk or incident.

Content

The Air France-KLM Group Anti-Corruption Code of Conduct is introduced by the Air France-KLM, Air France, and KLM CEOs, who emphasize the Group's values and ambition in terms of business ethics and clearly express the zero tolerance policy for any corruption offenses.

The Air France-KLM Group Anti-Corruption Code of Conduct provides all definitions of offenses, examples of prohibited behaviors and associated sanctions, recommendations to follow to avoid corruption risks, and useful contacts and reporting mechanisms to ensure that all deviations can be avoided and remedied.

It has been drafted to take into account main recognized international standards and regulatory requirements, such as the US Foreign Corrupt Practices Act, the UK Bribery Act, the French Sapin II Law, and French and Dutch Criminal Codes, as amended and complemented from time to time and including any relevant guidelines issued from competent authorities.

It covers all topics that can put the Air France-KLM Group's interests at risk, such as gifts and hospitality, conflicts of interest, facilitation payments, lobbying, sponsorship and patronage, and relations with third parties (with a risk-based approach, for customers, suppliers, partners, intermediaries, public officials and politically exposed persons, etc.). These topics are addressed with examples and dilemmas generated from the corruption risk map and situations reported by staff so that it is tailored to the Group's organization.

The Air France-KLM Group Anti-Corruption Code of Conduct provides general guidance for all situations, and a dedicated policy sets forth the specific rules and procedures to follow for each of the above listed topics to be addressed as part of the anti-corruption program.

It specifies sanctions for violations, as well as a reporting mechanism in the event that a violation is detected.

It reflects the values of respect, trust, transparency, and confidentiality stated in the Air France-KLM Principles.

The Air France-KLM Group Anti-Corruption Code of Conduct sets out the minimum rules to observe everywhere the Air France-KLM Group operates.

Validation process and communication

The latest version of the Air France-KLM Group Anti-Corruption Code of Conduct has been released in December 2022.

Before its release, the Air France-KLM Group Anti-Corruption Code of Conduct was validated by the Air France-KLM Group Executive Committee and Top Management of the airlines as well as the workers' councils of the airlines. It has also been presented to the Air France-KLM Sustainable Development and Compliance Committee.

It is incorporated into the Internal Rules of the French entities, in compliance with the legal requirement under French law.

It is available on the intranet websites of the airlines of the Air France-KLM Group. Each subsidiary ensures availability of this document to its personnel through intranet or share space.

Its main languages are French, Dutch, and English but the Air France-KLM Group Anti-Corruption Code of Conduct has also been translated in some other languages of the countries where the Air France-KLM Group operates.

Specific communications have been sent out regarding this Air France-KLM Group Anti-Corruption Code of Conduct, and it has been the subject of an e-learning starting in the month of its release.

Regular communications are also made during training sessions for the employees.

The Air France-KLM Group Anti-Corruption Code of Conduct is also available on the corporate website to share its values and rules with all third parties..

Whistleblowing policies

The Air France-KLM Group ensures that any employee is able to freely raise any concerns in the event of any suspicion of a violation of applicable laws and regulations or of our internal documentation, including but not limited to the Anti-Corruption Code of Conduct and its associated policies.

The Air France-KLM Group has adopted several channels to encourage employees to speak up, notably through management, HR, compliance teams (including the compliance coordinators network), and whistleblowing tools.

Management of reported incidents helps the Air France-KLM Group in (i) adopting corrective measures, (ii) improving procedures or tools, (iii) adapting the communication and training materials based on these real-life scenarios, (iv) ensuring that we maintain our operational performance, and (v) respecting our values.

The whistleblowing tools may be different between entities of the Air France-KLM Group. However, they are all subject to dedicated whistleblowing policies with the common main items described below.

Scope

The whistleblowing policies apply to all persons who can issue a report through the whistleblowing tools. These persons can be:

- staff members of the Air France-KLM Group entity (employees, former employees, and job applicants when the information was obtained during an assignment or the recruitment process; external and occasional workers, such as trainees, apprentices, and temporary workers);
- shareholders, directors, and members of the administrative, management, or supervisory bodies of the Air France-KLM Group entities;
- third parties.

These whistleblowing policies specify the nature of the violation that can be reported, such as corruption cases or serious incidents linked to the duty of vigilance (violation of human rights and fundamental freedoms, health and safety issues, environmental matters) pursuant to the regulation in force.

Purpose

The purpose of the whistleblowing policies is to enable the employees of the Air France-KLM Group entities to better understand the regulations applicable in this area, to know the channels available for the collection and processing of reports, and to understand the measures implemented to guarantee the strict confidentiality of the information communicated and the protection of whistleblowers.

They describe how reports will be managed by dedicated structures and teams.

The investigators are separated from the chain of management involved in the prevention and detection of corruption and bribery (see the section related to the roles and responsibilities of top management bodies). After the investigations are performed by dedicated teams, it is the management who decides on the adequate sanctions and remediation plans, which will be monitored by the compliance teams if the alert is well founded, and which may be subject to an internal audit as part of the yearly audit plan. Well-founded cases (including corrective actions and sanctions) are also reported to Top Management.

Content

The whistleblowing policies specify:

- who can issue a report and the scope of the information that can be reported;
- how a report can be made and what process steps apply to the collection and management of reports (including the investigations phase, and how the persons in charge of managing the case present all guarantees in terms of expertise and independence).

They state the rights and obligations of whistleblowers, including all protections regarding confidentiality and protection against retaliation measures.

Validation process and communication

Before their release, the whistleblowing policies have been validated by the Executive Committee and the workers' council of the entity concerned.

They are incorporated into the Internal Rules of the French entities, as legally required under French law. They are available on the intranet websites of the airlines of the Air France-KLM Group.

Awareness of the whistleblowing policies is raised through internal communications, e-learning sessions, and in-class training sessions for the Air France-KLM Group employees.

Conditions related to the collection and management of reports through the whistleblowing tools are set forth on the corporate websites for all third parties.

Incidents reported in accordance with the above-mentioned procedures are investigated, and appropriate corrective actions are implemented (see the section on the protection of whistleblowers).

Whistleblower protection measures

Facilitating access to and management of the incidents raised by whistleblowers

The employees of the Air France-KLM Group are made aware of the whistleblowing tools through a dedicated section in the anti-corruption e-learning, during in-class training sessions, through communication events, or during workshops done as part of the corruption risk map exercise.

External parties are made aware of the whistleblowing tools through documentation provided to them (i.e., in the Supplier Sustainable Code of Conduct, clauses in the contracts, etc.) and a dedicated section on the Air France-KLM Group entities' corporate websites.

These whistleblowing tools enable reporting in multiple languages to facilitate the issuance of reports, and reporting can be done anonymously.

Protection of whistleblowers

The whistleblowing mechanisms in place within the entities of the Air France-KLM Group offer guarantees in line with the latest applicable regulations on this matter (i.e., European Directive 2019/1937 of October 23, 2019, on the protection of persons who report violations of European Union law as implemented in national laws; French Act No. 2016-1691 of December 9, 2016, on transparency, the fight against corruption, and the modernization of economic life; and French Act No. 2022-401 of March 21, 2022, to improve the protection of whistleblowers).

Users are informed of how the reports will be managed and how the confidentiality and protection of whistleblowers (both internal and external) are guaranteed.

The whistleblowing tools guarantee strict confidentiality and secure access to reports by the persons in charge of analyzing and managing the cases.

The Air France-KLM Group entities have designated internal impartial and competent persons who are responsible for receiving and processing reports received via the whistleblower tools based on the domain of the alerts (i.e., fraud, anti-corruption, data privacy, harassment).

Such persons are personally committed and responsible for respecting confidentiality (with an enhanced confidentiality obligation) during the collection and processing phases of the cases, notably with respect to the identity of the whistleblowers, the identity of the persons targeted by the whistleblowers and of any third parties mentioned in the report, and all information collected by all the recipients of the report.

Non-disclosure commitments are executed by the persons in charge of and/or involved in internal investigations triggered by an alert through the whistleblowing tools to ensure they are informed of this obligation and aware of the consequences in the event of a breach of confidentiality.

The processing of personal data is also carried out in compliance with the applicable regulations (i.e., GDPR requirements).

In addition to the protection of the identity of whistleblowers, whistleblowers are protected against all forms of retaliation and are shielded from civil and criminal liability (provided that they act in good faith).

Such protection measures also apply to facilitators as defined by applicable law, including any natural person or any non-profit legal person governed by private law (e.g., association) who helps the whistleblowers in the issuance of a report; the persons in contact with the whistleblowers in a work context who can suffer from detrimental consequences (i.e., colleagues, relatives of the whistleblowers, etc.); and the legal entities that belong to the whistleblowers, for which the whistleblowers work, or with which the whistleblowers are in contact in a professional context.

Prohibited forms of retaliation include the following measures:

- suspension, layoff, dismissal, or equivalent actions;
- demotion or denial of promotion;
- change in scope of work, change in place of work, reduction of salary, modification of working hours;
- suspension of training;
- performance evaluation or negative work certificate;
- disciplinary measures imposed or administered, or other sanctions, including financial penalties;
- coercion, intimidation, harassment, or ostracism;
- discrimination or disadvantageous or unfair treatment;
- non-conversion of a fixed-term employment contract or a temporary contract into a permanent contract;
- non-renewal or early termination of a fixed-term employment contract or a temporary contract;
- harm, including damage to the person's reputation, or financial loss, including loss of business and loss of income;
- blacklisting on the basis of a formal or informal agreement at a sectoral or industry level;
- early termination or cancellation of a contract for goods or services;
- cancellation of a license or permit; and
- abusive referral to psychiatric or medical treatment.

Description of the antibribery management system: corruption risk assessment and controls

Corruption exposure risk assessment

Starting in 2023 and ending in 2024, a new corruption risk mapping campaign was deployed within the Air France-KLM Group. Corruption risk mapping is the cornerstone of the anti-corruption program, helping to identify, analyze, and hierarchize corruption risks that may stem from the activities of the Air France-KLM Group.

Its objective was to identify and rank the risk for all divisions by way of a new methodology set up with the assistance of an external law firm and to be aligned for the main entities on a short-term basis.

It has enabled the Air France-KLM Group to identify the most risky functions in terms of corruption (refer to section "Disclosure of the functions that are most at risk in respect of corruption and bribery" in this paragraph) as well as the third parties (by nature and location) that could present the greatest risk exposure to corruption.

The corruption risk mapping process is regularly updated and deepened to ensure that the Top Management of the Air France-KLM Group and its controlled entities adopt adequate measures to manage such risks and deploy required corrective actions. Each risk mapping exercise is based on the identification of processes involving interactions with third parties, as well as data collection/workshops with relevant Air France-KLM Group employees representing the concerned divisions and selected in a manner to ensure representativeness of the collected data and results.

The work is led by the Ethics Compliance Officers of the Air France-KLM Group entities, with the assistance of Compliance Coordinators (and sometimes other functions, such as Internal Audit) as well as with all divisions, and involves the validation of specific action plans by the Top Management of the Air France-KLM Group and/or of the relevant entities or divisions, as the case may be.

Controls

The management of risks related to corruption within the Air France-KLM Group is part of the overall risk management and compliance organization.

This organization is built around three lines of defense through the entire organization, as follows:

- The first line of defense ("Level 1 controls"): This consists of operational and business units, Procurement, Sales, and all other divisions/departments of the Air France-KLM Group applying the rules and controls included in Air France-KLM Group's compliance policies and anti-corruption program.

The purpose of the first line of defense is to conduct preventive controls prior to implementing decisions and transactions to ensure that the tasks that are inherent in an operational or support process are performed in compliance with Air France-KLM Group's compliance policies.

This line of defense, in charge of identifying and managing risks (implementing controls) for each relevant business activity, is requested to consider compliance risk management as an integral part of its daily tasks.

- The second line of defense ("Level 2 controls"):

This consists of the relevant Ethics Compliance Officers with the support of Compliance Coordinators and/or internal control teams.

The purpose of the second line of defense is to conduct detective controls at prescribed intervals or randomly on some or all of the decisions or transactions to ensure that the first-line-of-defense controls have been properly performed and that the overall compliance policies, including the anti-corruption program, is functioning properly.

This line of defense is in charge of the continuous monitoring of the design and implementation of compliance controls in the second line of defense. It provides opinions and advice and facilitates the overall risk-management activities relevant for their activities.

- The third line of defense ("Level 3 controls"):

This is done by the Air France/KLM Internal Audit function.

This line of defense aims at ensuring independent control over the Air France-KLM Group's risk-management activities, including as part of the anti-corruption program.

The purpose of the third line of defense is to perform periodic controls to ensure that the control system complies with Air France-KLM Group's requirements and is implemented effectively and kept up to date.

The corrective measures determined as part of the controls are implemented without undue delay by the relevant stakeholders, with the support of relevant Ethics Compliance Officers, as needed.

In addition to this organization, the Air France-KLM Group has also implemented anti-corruption accounting control with the Finance teams.

Training

The Air France-KLM Group ensures that all its employees are made aware of the applicable anti-corruption laws and regulations and that they understand their scope and the associated risks in the event of non-compliance.

For that purpose, an anti-corruption e-learning is regularly deployed for a compulsory panel of employees at risk and then is opened to all employees of Air France-KLM, Air France, and KLM. The subsidiaries are urged to deploy their e-learning based on the material support available and with the assistance of the Ethics Compliance teams.

Top management validates:

- the panel of targeted employees and the contemplated completion rate;
- the e-learning objectives and content;
- the duration and frequency.

An anti-corruption e-learning campaign was launched on December 14, 2022, for a compulsory panel of employees. Anti-corruption e-learning campaigns are usually launched every two years, in addition to in-class training and specific sessions that may be done upon request and communication campaigns. The next e-learning campaign will be launched in 2025.

The current e-learning module was produced in both French and English. The content is based on examples of cases arising from alerts, cases encountered in practice, and the results of bribery risk mapping. The aim is to explain the applicable legal framework, the associated sanctions, and the rules stipulated in the updated anti-corruption documentation by means of a quiz to check that the internal rules have been properly understood.

For the completion period starting on December 14, 2022, and ending on April 14, 2023, the completion rate for the anti-corruption e-learning for the selected panel (i.e., functions with high risk of exposure) was 94.6% (10,127 of the individuals completing it were part of a compulsory panel of 10,704 persons). This e-learning was then opened to all employees, and in 2024, 11,017 employees completed it, including the high-risk functions covered in 2023 and additional employees in 2024 (newcomers or those who did it on voluntary basis).

In addition to the e-learning module, a comprehensive in-class training campaign on anti-corruption has been designed with the support of an external service provider to (i) build a dedicated training program for the Top Management and (ii) deploy a training program for employees with the highest risk of exposure (refer to the section titled “Disclosure of the functions that are most at risk in respect of corruption and bribery” in this paragraph). This training campaign involves three hours of classroom sessions based on a “train the trainers” approach with the support of the compliance and legal teams and was rolled out in 2023. At the end of 2024, 23 sessions have been held to cover a panel of 290 employees from Procurement, Cargo, Engineering and Maintenance activities, Public and International Affairs, and Flight Operations Departments.

Specific events, communications, and campaigns can be launched on a need-to-know basis (i.e., each time a revised policy is issued or a new tool is implemented, or for International Anti-Corruption Day).

Key Performance Indicators	Definition	2023 results
Completion rate of the e-learning on prevention of corruption	Number of employees with high risk exposure having completed the entire training program as of December 31 of the concerned year divided by the total number of employees invited to undertake this training	94.6%

Scope: Target group of Air France-KLM Group compulsory panel of employees (high risk employees). Training is mandatory for the target group of employees. The latter is selected based on functional level (i.e., executives or managers) or exposure to bribery risk according to the results of the bribery risk mapping performed within the organization (i.e., the Sales and Procurement teams). The indicator measured is the number of employees having completed the entire training program as of December 31, divided by the total number of employees invited to *undertake this training*. The figures presented pertain to the year 2023, as it was the designated year for the mandatory assessment panel for employees identified as being at risk.

4.4.1.3.1 Metrics – Prevention of corruption and bribery (G1-4)

Confirmed incidents of corruption or bribery

In 2024, there was no conviction issued by any competent authority against the Air France-KLM Group for the violation of anti-corruption and anti-bribery laws. Nor was the Air France-KLM Group requested to pay any fine for any such violations.

There was no confirmed incident relating to corruption for which sanctions would have been issued against employees and corrective measures undertaken with actors in the value chain.

In the event of a violation of applicable laws or the Anti-Corruption Code of Conduct, including its policies, sanctions and disciplinary measures can be applied to employees as stated in the Anti-Corruption Code of Conduct and the HR Internal Rules of the concerned entity of the Air France-KLM Group. The documentation and/or contractual clauses with external parties also state that non-compliance with anti-corruption laws is deemed to be a material breach triggering damages and/or suspension and/or termination of the contractual relationship.

	2024
Number of convictions for violation of anti-corruption and anti-bribery laws	–
Fines for violation of anti-corruption and anti-bribery laws (in € million)	–

4.4.1.4 Prevention of anti-competitive practices

The prevention of anti-competitive behavior is an important factor in honest and fair business practices.

Prevent unfair practices is crucial since unethical or inappropriate behavior can have significant detrimental consequences, both financially and in terms of reputational damage.

With respect to anti-competitive practices, the Air France-KLM Group is developing its policy aimed at the prevention of anti-competitive acts and circulating among staff a Competition Law Compliance Manual.

This manual is available in English, French, and Dutch and regularly reviewed and updated. It is available on the intranet so that employees can access it.

A competition law e-learning module based on the content of the manual on competition rules is frequently rolled out to prevent any risk of incidents.

An e-learning module was developed in-house and launched between December 2021 and March 2022 for a significant number of Air France-KLM Group employees to remind them of the competition law principles and the risks incurred. A second e-learning campaign was launched between November 2024 and January 2025 with a completion target of more than 96%. This KPI was reached with a completion rate of 97%.

In addition to this e-learning module, the competition law team carries out dedicated training sessions with certain categories of staff.

A team of competition law experts provides advice and guidelines on projects, major contracts, and alliances with the businesses.

An internal audit was performed, yielding an internal audit report on March 2024, to review the deployment and efficiency of the competition law policy within the Air France-KLM Group.

4.4.1.5 Compliance with embargoes, trade sanctions and export controls legislation

The Air France and KLM Trade Compliance departments are responsible for defining and managing the compliance program, and for ensuring and facilitating its implementation and adherence, so as to ensure maximum compliance with customs, trade sanctions, and export control legislation applicable to the Air France-KLM Group's activities.

They monitor changes in the applicable regulations, liaise with the relevant administrations and authorities in charge of control, participate in third-party screening with regard to trade sanctions and sanctions by business sectors, and follow up on the measures applied in business activities.

They review the need for the request and renewal of export licenses by product category, partner, and country (dual use goods, military goods, explosives, ozone-depleting products, etc.) and complete or review compliance questionnaires issued by Air France-KLM Group stakeholders (banks, insurers, etc.).

The Trade Compliance Officers ensure the monitoring of the existing export control framework.

Within the Engineering & Maintenance, Cargo, Procurement, and Treasury domains, customers and suppliers are screened before onboarding and on an ongoing basis. A more exhaustive third-party due diligence screening procedure was drafted with an extended compliance scope by the end of 2024.

Training and awareness-raising is a major priority for the Air France-KLM Group. Export control e-learning modules are pushed to the relevant cargo and engineering and maintenance staff on a regular basis. A trade sanctions e-learning program applicable to a broader target group has also been prepared for deployment.

4.4.1.6 Personal Data Protection

Whether for passenger bookings, flight schedule management, aircraft maintenance, or other activities, information systems are at the heart of all of Air France-KLM's activities.

For the Air France-KLM Group, the protection of personal data is a key element in the trust granted by its customers and employees.

Since the Air France-KLM Group is well aware that the protection of private lives and personal data is an increasingly sensitive subject, it places this issue at the heart of its priorities and ensures the highest level of regulatory compliance.

The Data Privacy Officers of the Air France-KLM Group entities are in charge of ensuring compliance with the European General Data Protection Regulation through the setup of processes for data privacy governance, the management of data compliance breaches, and training as part of the annual compliance program for this domain.

Since 2023, the focus has been on the compliance of personal data transfers outside the European Economic Area, after the Court of Justice of the European Union invalidated the Privacy Shield in the "Schrems II" case.

Please find more information on data privacy and security for consumers and end-users in section 4.3.4.3.4 "Data privacy and security".

4.4.1.7 Tax strategy

Compliance

Air France-KLM recognizes the importance of compliance with tax regulations in its strategy and is committed to acting with integrity and transparency while fighting tax evasion. It strictly complies with local and international tax laws and ensures that taxes are paid within the required deadlines.

Air France-KLM particularly complies with the OECD's BEPS Action Plan and implements Pillar 2 for Global Minimum Tax Reporting, with a first declaration scheduled for June 2026. Similarly, transfer pricing reports and the Country-by-Country Annual Report (CbCR) are filed in accordance with applicable requirements, with first public CbCR to be published by December 31, 2026, at the latest.

In terms operations, Air France and KLM, as international airlines, report their income primarily in France and the Netherlands, in line with the principles of taxation of international air transport services, while declaring a smaller share in other jurisdictions where they operate. Tax returns are filed, documented, and compliant with local accounting standards and local tax regulations.

Transparency

Air France-KLM values respect, transparency, and trust in its relationships with tax authorities and various stakeholders. The Group maintains an open dialogue with tax authorities, contributing to public consultations on tax policies.

Air France-KLM thus strives to proactively address tax issues to avoid unnecessary disputes and clarify its tax positions, notably through several initiatives with the French and Dutch tax authorities, such as:

- On March 14, 2019, Air France-KLM signed a tax partnership with the French tax authorities to improve their relationships and secure its tax positions in the context of its daily operations and asset restructuring operations. The Group strives to increasingly solicit the SPE, as in 2024, with a substantial increase in the number of tax rulings obtained to strengthen its legal and tax security.
- In 2024, Air France renewed its Authorized Economic Operator (AEO) certificate after an audit by the French customs authorities confirming the application of simplified tax and customs regimes.
- KLM maintains a sustainable relationship with the Dutch tax authorities, being enrolled in an Individual Monitoring Plan (ITP). This plan allows the tax authorities to evaluate and adapt their controls based on KLM's monitoring measures.
- Since 2022, KLM has published an annual report on transparency and tax contribution. This report highlights the importance of taxation as a contribution to society, advocates for the interpretation of tax rules in the spirit of the law, commits to limiting the use of Non-Cooperative States and Territories, and ensures transparency of taxes paid and collected.

4.4.2 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)

The table below shows the material impacts, risks, and opportunities identified for this section:

Topic	Material impact (N: negative; P: positive)	Own Operations (OO) / Value Chain (VC)	Material Risks (R) or Opportunities (O)	Time horizon (short, medium, long term)
Political engagement & lobbying activities, economic & social value of air transportation	P: Positive contribution to social welfare and economic development at both local and global level, through direct and indirect economic activities and employment opportunities	OO/VC	O: Air France-KLM lobbying activities to promote the importance of air transport industry could contribute to fair competition and level playing field to secure AFKL market position or seize business opportunities	short/medium/long

For more information regarding the double materiality analysis and the identification of material IROs, please refer to section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)".

Public affairs governance

The shareholders and board members of the Air France-KLM Group (the Group) share the concern about climate change and place the global imperative of the environmental transition of air transport at the heart of its strategy.

The Board of Directors determines the direction of the company's business and oversees its implementation, taking into account social and environmental considerations. Within this framework, it approves the Group's strategic orientations, including its social and environmental policies.

Respecting the environmental trajectory and successfully activating the levers for reducing the negative externalities of air transport are in the Group's strategic interest (see section 4.2.1.3.1 "Transition plan for climate change mitigation (E1-1)"). As such, these objectives are among the key priorities of the mandate given to those responsible for the representation of interests.

The General Secretary of the Board of Directors is responsible for implementing the company's environmental policy through institutional positioning and both direct and indirect advocacy actions.

The Deputy to the General Secretary, the Director of Public and International Affairs, oversees the organization's institutional advocacy activities in a cross-functional capacity, working closely with subject-matter experts in areas such as sustainability, operations, finance,

and legal affairs. The Director ensures that advocacy efforts directed at external authorities – local, national, European, and international – align with the material topics identified under the CSRD Directive.

The chain of responsibility within the Group and its subsidiaries complies with high standards of corporate governance and ethical rules governing the representation of interests. To prevent any conflict of interest, special care is taken when recruiting executives from the civil service. The jobs held by these employees are compatible with their former functions, without any undermining of the independence and neutrality of public services.

In addition, professional retraining is monitored in accordance with the rules of the French High Authority for Transparency in Public Life (HATVP) in the cases provided for in Article 23 of the 2013-907 law on transparency in public life, notably when recruitment within the Group takes place before the end of a three-year period following retraining.

Number of Board members with previous public service responsibilities

Before the end of the 3-year period following retraining	2
After the end of the 3-year period	5

Principles of action and transparency

As a company (i) listed on the stock exchange; (ii) with two national governments as shareholders; (iii) with an ambitious social and environmental responsibility policy; and (iv) with strong, recognized brands, the Air France-KLM Group's lobbying activities adhere to high standards of ethics, quality of expertise, and transparency.

The Air France-KLM Group and its subsidiaries Air France and KLM are registered with the French (*Haute Autorité pour la transparence de la vie publique* – HATVP), Dutch, and European authorities in charge of transparency in public life (EU Transparency Register of the European Commission / REG number Air France-KLM: 064616126640-05 / REG number KLM: 76441066192-30). They comply with declaratory obligations in terms of chain of responsibility, communication with public officials, declaration of activities and resources allocated to them, and affiliation with professional associations in charge of representing sectoral interests.

As part of its ethical principles, the Air France-KLM Group makes no direct or indirect financial contribution to any political organization or movement:

Financial commitment by the Group or one of its subsidiaries for political or similar contributions in 2024 (in € million)

Direct financial contribution to a political party or movement	–
Indirect financial contribution (through a professional association) to a political party or movement	–

The Air France-KLM Group and its subsidiaries do, however, represent their interests through industry professional associations. The associations of which the Air France-KLM Group is a member, and whose specific vocation is to develop expertise or to intervene in the challenges of the environmental transition of air transport, recognize the global challenge of climate change. They are committed to aligning their positions and actions with the Paris Agreement objective of keeping global warming below 1.5 degrees Celsius.

Through its contribution to working groups and the collegial validation of positions taken within its organizations, the Air France-KLM Group ensures that the interests defended are aligned with its own strategic objectives in environmental matters.

Group or subsidiary contributions to professional associations representing interests paid in 2024 (in € million)

Air France-KLM	
Scope HATVP: AFEP, MEDEF, Eden	less than 0.1
Scope UE : IATA, A4E, ENAA, E4FC	0.4
Société Air France	
HATVP : FNAM, MEDEF IDF, Avenir transports, Mouvement entreprises Val d'Oise	0.2
KLM	
VNO/NCW	0.2

Positions in favor of a positive transformation of air transport, framed by environmental and social considerations

The Public Affairs department represents the Air France-KLM Group in the standardization process that regulates its activities (passenger transport, cargo, maintenance). It expresses rational positions that are doubly aligned with the Group's strategic interests and the social and environmental imperatives identified as material. Its action consists of clarifying the issues involved in public decisions and contributing to the emergence of sustainable standardization solutions.

The positions defended by the Group in the representation of interest-related actions aim to create the conditions for an effective reduction in negative externalities while preserving the socioeconomic spin-offs and invaluable societal benefits that air mobility brings to people.

The objective is to promote the activation of all the levers of transformation through the establishment of optimal conditions for the exercise of operations, the sustainable development of our offer, and investment projects in compliance with policies for the management and reduction of social and environmental risks.

1) Make the decarbonization trajectory of activities more reliable by creating the conditions for the feasibility of the pillars of the climate Transition Plan [ESRS – E1]

The Air France-KLM Group's environmental strategy meets the "zero net carbon emissions" objective set by the industry as a whole for 2050, in line with the "well below 2 degrees" scenario of the Paris Climate Agreement.

In this context, the Group has contributed to and adopted the aviation sector's decarbonization roadmap. Produced under the aegis of the *Direction générale de l'aviation civile* (DGAC) in accordance with Article 301 of the law to combat climate change and strengthen resilience to its effects – known as the Climate and Resilience Law – of August 22, 2021, this roadmap defines the decarbonization trajectory for aviation in line with the degressive share of the carbon budget by 2050.

The levers and objectives identified in the Air France-KLM Group's Transition Plan are part of this roadmap at the industry level and mark out the position defended by public affairs articulated around the following two proposals:

- a) In response to the imperative of environmental transition and the associated technological challenges, it is imperative to create the industrial and regulatory conditions that will enable optimal activation of the levers of the climate Transition Plan (see section 4.2.1.3.1 "Transition Plan for climate change mitigation").
- b) The success of the industry's transformation depends on the establishment of a fair regulatory environment through the implementation of ambitious targets and mechanisms at the international level. In a global market, obligations must apply equally to all operators, so as to not distort competition and to enable the investments needed to transform the industry as a whole.

2) Contribute to preserving the social climate [ESRS – S2]

The Air France-KLM Group is committed to providing engaging working conditions for all its employees. We work to preserve the social contract by identifying undesirable sectoral provisions on the defensive side and on the preventive side by activating public policy levers favorable to our human resources objectives (recruitment, training, etc.).

3) Contribute to the reduction of airport noise pollution [ESRS – S3]

Group companies are committed to limiting the noise footprint of their activities. To this end, they participate in balanced approach study processes (see section 4.3.3.2 "Noise management (ESRS S3)") aimed at optimizing the technical levers for noise reduction. We are in constant dialogue with the authorities and representatives of the local communities affected. Our approach is to implement compromise-based solutions that are optimal, sustainable, and satisfactory for local residents.

4) Supporting the improvement of service quality [ESRS – S4]

The inestimable value of our offer lies in the unique travel experience we provide our customers. We support standard-setting initiatives and public decisions that contribute to improving the quality of our products, as well as to providing our customers with guarantees in terms of transparency of information, quality of service, and protection of personal data.

5) Strengthen the security and robustness of operations [ESRS – S4]

The robustness of our operational processes (passenger reception, baggage management, aircraft deployment) is a guarantee of performance in the execution of the Group's programs. We support standard-setting initiatives and public decisions that contribute to improving the conditions under which we carry out our operations, which include both airport services and air navigation.

Approach to promoting the acceptability of air transport

The Air France Group is a heritage and industrial asset that generates numerous positive socioeconomic spin-offs for the economy and local communities. In order to objectify these benefits and improve the acceptability of air transport, we are working to educate decision-makers and stakeholders. The aim is to promote a better understanding of the social benefits of our activities, and to highlight their positive economic impact on local communities and regions.

1) Enhancing the socioeconomic impact of the Group's activities in local areas

As the leading operator based in France and the Netherlands providing a seamless network between these countries (with the vast majority of its assets, employees, and suppliers located in these two countries), the Group makes a major economic and social contribution to national and regional areas.

In 2023, the Group contributed to 1.9% of French GDP (with around €49 billion injected into the French economy) and 2.3% of Dutch GDP (€22 billion). At the same time, it generated over €6.5 billion in tax revenues for the states (€4.595 billion in France and €1.951 billion in the Netherlands).

These considerable spin-offs can be explained by the integration of our subsidiaries' activities into the French and Dutch economic landscape, with a network of SME/SMI suppliers rooted in the territories, as well as by the specific operating models of the Air France and KLM network airlines, based on international and connecting traffic.

For example, Air France generates half of its sales abroad, even though 90% of its employees are based and consume in France. The Group is also a net contributor of €1.5 billion to the French balance of trade.

Air transport is unique in that it generates a higher socioeconomic spin-off coefficient than other sectors of the economy. Sustained air transport activity influences the level of domestic production. This correlation is due to connectivity, which improves the mobility of players, increases the exchange of goods, and boosts productivity.

It's also due to the fact that our activities cover the whole of France, including those areas where our subsidiaries are not directly located. For example, the Group contributes 1.4% of the Normandy region's GDP through its own purchases of local products and services, as well as those of the passengers it carries.

The economic impact is obviously reflected in terms of jobs. One job created at Air France generates 11 jobs in the French economy. In all, this represents more than 500,000 jobs (direct, indirect, and induced by our activities) in the French economy, essentially skilled jobs that cannot be relocated.

Because they are based in France, the activities of the Air France-KLM Group are sources of attractiveness for the regions and real levers for employment. Our ambition is to

inform decision-makers and, more broadly, all our stakeholders about these positive spin-offs. To this end, we are considering the creation of a permanent forum for dialogue with our stakeholders.

2) Initiate collaborative dialogue with stakeholders on major economic, social, and environmental issues

In the interests of mutual understanding and dialogue, the Group is currently looking into ways of strengthening and institutionalizing dialogue, in a suitable format, between the Group and civil society organizations with an interest in air transport issues.

This dialogue has two main objectives:

- to improve the Group's understanding of the points of view of the main players involved in air transport, so that it can adapt its actions to reduce the negative externalities generated by its activity;
- to explain the Group's objectives, the actions taken to achieve them, and the constraints it faces.

4.5 APPENDIX

A. Mapping of ESRS Data Points with the Requirements of EU Legislative Acts (IRO-2)

Disclosure Requirement and related datapoint	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Reference Sustainability Statement
ESRS2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816 ⁽⁵⁾ , Annex II		4.1.3.1 The role of the administrative, management and supervisory bodies (GOV-1)
ESRS2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		4.1.3.1 The role of the administrative, management and supervisory bodies (GOV-1)
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex I				4.1.3.4 Statement on due diligence (GOV-4)
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex I	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 ⁽⁶⁾ Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		4.1.2.1 Strategy, business model and value chain (ESRS2 SBM-1)
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		4.1.2.1 Strategy, business model and value chain (ESRS2 SBM-1)
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex I		Delegated Regulation (EU) 2020/1818 ⁽⁷⁾ , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		4.1.2.1 Strategy, business model and value chain (ESRS2 SBM-1)

Disclosure Requirement and related datapoint	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Reference Sustainability Statement
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		4.1.2.1 Strategy, business model and value chain (ESRS2 SBM-1)
ESRS E1-1 Transition Plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking Book - Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking Book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		4.2.1.3.4 Targets – Climate change mitigation and adaptation (E1-4)
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact)	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				4.2.1.4.1 Energy consumption and mix (E1-5)
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				4.2.1.4.1 Energy consumption and mix (E1-5)
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				4.2.1.4.1 Energy consumption and mix (E1-5)

Disclosure Requirement and related datapoint	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Reference Sustainability Statement
ESRS E1-6 Gross scopes 1, 2, 3 and total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking Book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		4.2.1.4.2 Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking Book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		4.2.1.4.2 Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2 (1)	4.2.1.4.3 GHG removals and GHG mitigation projects financed through carbon credits (E1-7)
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				4.2.2.3 Metrics – Air Pollution (E2-4)
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				4.2.3.3 Metrics – Waste management and circularity (E5-5)
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				4.2.3.3 Metrics – Waste management and circularity (E5-5)
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex 1				4.3.1.7.2 Policies – Working rights and human rights (S1-1)

Disclosure Requirement and related datapoint	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Reference Sustainability Statement
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				4.3.1.7.2 Policies – Working rights and human rights (S1-1)
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				4.3.1.7.2 Policies – Working rights and human rights (S1-1)
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		4.3.1.7.2 Policies – Working rights and human rights (S1-1)
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				4.3.1.7.6 Action plans in place or planned – Working rights and human rights (S1-4)
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				4.3.1.4.2 Policies – Working conditions (S1-1)
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				4.3.1.5.4 Channels for own workers to raise concerns – Diversity, Equity and Inclusion (S1-3) ; 4.3.1.7.4 Channels for own workers to raise concerns – Working rights and human rights (S1-3)
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Health and Safety (S1-14) in 4.3.1.4.7 Metrics – Working conditions (S1-10, S1-16, S1-14)
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Health and Safety (S1-14) in 4.3.1.4.7 Metrics – Working conditions (S1-10, S1-16, S1-14)
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		4.3.1.5.7 Metrics – Diversity, Equity and Inclusion (S1-9, S1-12, S1-16)

Disclosure Requirement and related datapoint	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Reference Sustainability Statement
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Total remuneration ratio (S1-16) in 4.3.1.4.7 Metrics – Working conditions (S1-10, S1-16, S1-14)
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				4.3.1.7.7 Metrics – Working rights and human rights impacts (S1-17)
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12 (1)		4.3.1.7.7 Metrics – Working rights and human rights impacts (S1-17)
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and number 4 Table #3 of Annex I				4.3.2.2.1 Policies – Value chain workers (S2-1)
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		4.3.2.2.1 Policies – Value chain workers (S2-1)
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex I and Indicator number 11 Table #1 of Annex I				4.3.3.2.1 Policies – Noise management (S3-1)
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		4.3.3.2.1 Policies – Noise management (S3-1)
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex I				4.3.3.2.5 Action plans in place or planned – Noise management (S3-4)

Disclosure Requirement and related datapoint	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Reference Sustainability Statement
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				4.3.4.3.2 Information and assistance to passengers for cancellations and delays (EU261); 4.3.4.3.3 Access to services for passengers with disabilities ; 4.3.4.3.4 Data privacy and security; 4.3.4.4.2 Policies – Safety and security of passengers (S4-1)
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		4.3.4.3.2 Information and assistance to passengers for cancellations and delays (EU261); 4.3.4.3.3 Access to services for passengers with disabilities ; 4.3.4.3.4 Data privacy and security; 4.3.4.4.2 Policies – Safety and security of passengers (S4-1)
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				4.3.4.3.2 Information and assistance to passengers for cancellations and delays (EU261); 4.3.4.3.3 Access to services for passengers with disabilities ; 4.3.4.3.4 Data privacy and security; 4.3.4.4.2 Policies – Safety and security of passengers (S4-1)

Disclosure Requirement and related datapoint	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Reference Sustainability Statement
ESRS G1-1 United Nations convention against corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				4.4.1 Business conduct (ESRS G1-1, G1-3, G1-4)
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				4.4.1 Business conduct (ESRS G1-1, G1-3, G1-4)
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4); 4.4.1.3.1 Metrics – Prevention of corruption and bribery (G1-4)
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4); 4.4.1.3.1 Metrics – Prevention of corruption and bribery (G1-4)

(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, December 9, 2019, p. 1).

(2) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, June 27, 2013, p. 1).

(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 (OJ L 171, June 29, 2016, p. 1).

(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of June 30, 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No. 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, July 9, 2021, p. 1).

(5) Commission Delegated Regulation (EU) 2020/1816 of July 17, 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, December 3, 2020, p. 1).

(6) Commission Implementing Regulation (EU) 2022/2453 of November 30, 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, December 19, 2022, p.1).

(7) Commission Delegated Regulation (EU) 2020/1818 of July 17, 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, December 3, 2020, p. 17).

B. Table of concordance with GRI standards

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 2: General Disclosures 2021	2-1 Organizational details	See requirements of Directive 2013/34/EU		4.1.2 Strategy; 4.1.3 Governance
GRI 2: General Disclosures 2021	2-2 Entities included in the organization's sustainability reporting	ESRS 1 S1; ESRS 2 BP-1 §5 (a) and (b) i		4.1.1 Basis for preparation
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point (2-3-a and 2-3-b)	ESRS 1 §73		4.1.1 Basis for preparation
GRI 2: General Disclosures 2021	2-4 Restatements of information	ESRS 2 BP-2 §13, §14 (a) to (b)		4.1.1 Basis for preparation
GRI 2: General Disclosures 2021	2-5 External assurance	See external assurance requirements of Directive (EU) 2022/2464		4.6 Auditors report on the certification of sustainability information
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	ESRS 2 SBM-1 §40 (a) i to (a) ii, (b) to (c), §42 (c)		4.1.2 Strategy
GRI 2: General Disclosures 2021	2-7 Employees	ESRS 2 SBM-1 §40 (a) iii; ESRS S1 S1-6 §50 (a) to (b) and (d) to (e), §51 to §52		4.3.1 Own workforce (ESRS S1)
GRI 2: General Disclosures 2021	2-8 Workers who are not employees	ESRS S1 S1-7 §55	3	The undertaking may omit reporting for all S1-7 datapoints in this Disclosure Requirement for the first year of its sustainability statement
GRI 2: General Disclosures 2021	2-9 Governance structure and composition (2-9-a [for public-interest entities only], 2-9-b, 2-9-c-i, c-ii, c-v to c-viii)	ESRS 2 GOV-1 §21, §22 (a), §23; ESRS G1 §5 (b) See also corporate governance statement requirements of Directive 2013/34/EU for public-interest entities		4.1.3 Governance
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.		Chapter 2 of the 2024 Universal Registration Document, section 2.1 Composition of the Board of Directors
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.		Chapter 2 of the 2024 Universal Registration Document, section 2.1 Composition of the Board of Directors
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	ESRS 2 GOV-1 §22 (c); GOV-2 §26 (a) to (b); SBM-2 §45 (d); ESRS G1 §5 (a)		4.1.3 Governance
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	ESRS 2 GOV-1 §22 (c) i; GOV-2 §26 (a); ESRS G1 G1-3 §18 (c)		4.1.3 Governance
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	ESRS 2 GOV-5 §36; IRO-1 §53 (d)		4.1.3 Governance

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.		Chapter 2 of the 2024 Universal Registration Document 2.2.5 Other rules applicable to Board directors subsection "Situation of conflict of interest"
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	ESRS 2 GOV-2 §26 (a); ESRS G1 G1-1 AR 1 (a); G1-3 §18 (c)		4.1.3.2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2) 4.4.1.1 Corporate culture (G1-1) 4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4)
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	ESRS 2 GOV-1 §23		4.1.3.1 The role of the administrative, management and supervisory bodies (GOV-1)
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.		Chapter 2 of the 2024 Universal Registration Document 2.3.1 Activities and functioning of the Board of Directors subsection "Evaluation of the functioning of the Board of Directors and its Committees"
GRI 2: General Disclosures 2021	2-19 Remuneration policies (2-19-a [for listed undertakings only] and 2-19-b)	ESRS 2 GOV-3 §29 (a) to (c); ESRS E1 §13 See also remuneration report requirements of Directive (EU) 2017/828 for listed undertakings		4.1.3.3 Objectives and variable remuneration aligned with ESG (GOV-3) Chapter 2 of the 2024 Universal Registration Document 2.5.2 Compensation of the Company officers in 2024
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration [for listed undertakings only]	ESRS 2 GOV-3 §29 (e) See also remuneration report requirements of Directive (EU) 2017/828 for listed undertakings		4.1.3.3 Objectives and variable remuneration aligned with ESG (GOV-3) Chapter 2 of the 2024 Universal Registration Document, section 2.5.2 "Compensation of the Company officers in 2024".
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio (2-21-a and 2-21-c)	ESRS S1 S1-16 §97 (b) to (c)		4.3.1.4.7 Metrics – Working conditions (S1-10, S1-16, S1-14)
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	ESRS 2 SBM-1 §40 (g)		4.1.2.1 Strategy, business model and value chain (ESRS2 SBM-1)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 2: General Disclosures 2021	2-23 Policy commitments (2-23-a-i and a-iv; 2-23-b, 2-23-d, 2-23-e, 2-23-f)	ESRS 2 GOV-4; MDR-P §65 (b) to (c) and (f); ESRS S1 S1-1 §19 to §21, and §AR 14; ESRS S2 S2-1 §16 to §17, §19, and §AR 16; ESRS S3 S3-1 §14, §16 to §17 and §AR 11; ESRS S4 S4-1 §15 to §17, and §AR 13; ESRS G1 G1-1 §7 and §AR 1 (b)		4.1.3.4 Statement on due diligence (GOV-4) 4.3.1.3.2 Policies – Social dialogue (S1-1) 4.3.1.4.2 Policies – Working conditions (S1-1) 4.3.1.5.2 Policies – Diversity, Equity and Inclusion (S1-1) 4.3.1.6.2 Policies – Training & skills development and talent attractiveness (S1-1) 4.3.1.7.2 Policies – Working rights and human rights (S1-1) 4.3.2.2.1 Policies – Value chain workers (S2-1) 4.3.3.2.1 Policies – Noise management (S3-1) 4.3.4.3.2.1 Policies - Information and assistance to passengers for cancellations and delays (S4-1) 4.3.4.3.3.1 Policies - Access of services for passengers with disabilities (S4-1) 4.3.4.3.4.1 Policies - Data privacy and security (S4-1) 4.3.4.4.2 Policies – Safety and security of passengers (S4-1) 4.4.1.1 Corporate culture (G1-1)
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	ESRS 2 GOV-2 §26 (b); MDR-P §65 (c); ESRS S1 S1-4 §AR 35; ESRS S2 S2-4 §AR 30; ESRS S3 S3-4 §AR 27; ESRS S4 S4-4 §AR 27; ESRS G1 G1-1 §9 and §10 (g)		4.1.3.2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2) 4.3.1.3.6 Action plans in place or planned – Social dialogue (S1-4) 4.3.1.4.6 Action plans in place or planned – Working conditions (S1-4) 4.3.1.5.6 Action plans in place or planned – Diversity, Equity and Inclusion (S1-4) 4.3.1.6.6 Action plans in place or planned – Training & skills development and talent attractiveness (S1-4) 4.3.1.7.6 Action plans in place or planned – Working rights and human rights (S1-4) 4.3.2.2.5 Action plans in place or planned – Workers in the value chain (S2-4) 4.3.3.2.5 Action plans in place or planned – Noise management (S3-4) 4.3.4.3.2.5 Actions plans in place or planned - Information and assistance to passengers for cancellations and delays (S4-4) 4.3.4.3.3.5 Actions plans in place or planned - Access of services for passengers with disabilities (S4-4) 4.3.4.3.4.5 Actions plans in place or planned - Data privacy and security (S4-4) 4.3.4.4.6 Actions plans in place or planned - Safety and security of passengers 4.4.1.1 Corporate culture (G1-1)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	ESRS S1 S1-1 §20 (c); S1-3 §32 (a), (b) and (e), §AR 31; ESRS S2 S2-1 §17 (c); S2-3 §27 (a), (b) and (e), §AR 26; S2-4 §33 (c); ESRS S3 S3-1 §16 (c); S3-3 §27 (a), (b) and (e), §AR 23; S3-4 §33 (c); ESRS S4 S4-1 §16 (c); S4-3 §25 (a), (b) and (e), §AR 23; S4-4 §32 (c)		4.3.1 Own workforce (ESRS S1) 4.3.2 Workers in the value chain (ESRS S2) 4.3.3 Affected communities – Noise management (ESRS S3) 4.3.4 Consumers and end-users (ESRS S4)
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	ESRS S1 S1-3 §AR 32 (d); ESRS S2 S2-3 §AR 27 (d); ESRS S3 S3-3 §AR 24 (d); ESRS S4 S4-3 §AR 24 (d); ESRS G1 G1-1 §10 (a); G1-3 §18 (a)		4.3.1 Own workforce (ESRS S1) 4.3.2 Workers in the value chain (ESRS S2) 4.3.3 Affected communities – Noise management (ESRS S3) 4.3.4 Consumers and end-users (ESRS S4)
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	ESRS 2 SMB-3 §48 (d); ESRS E2 E2-4 §AR 25 (b); ESRS S1 S1-17 §103 (c) to (d) and §104 (b); ESRS G1 G1-4 §24 (a)	(1a)	4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3) 4.2.2.3 Metrics – Air Pollution (E2-4) 4.3.1.7.7 Metrics – Working rights and human rights impacts (S1-17) 4.4.1.1 Corporate culture (G1-1) 4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4)
GRI 2: General Disclosures 2021	2-28 Membership associations	“Political engagement” is a sustainability matter for G1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	4.4.2 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes Reference
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	ESRS 2 SMB-2 §45 (a) i to (a) iv; ESRS S1 S1-1 §20 (b); S1-2 §25, §27 (e) and §28; ESRS S2 S2-1 §17 (b); S2-2 §20, §22 (e) and §23; ESRS S3 S3-1 §16 (b); S3-2 §19, §21 (d) and §22; ESRS S4 S4-1 §16 (b); S4-2 §18, §20 (d) and §21	4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2); 4.3.1.3.3 Processes in place to engage with own workers and workers' representatives – Social dialogue (S1-2) 4.3.1.4.3 Processes in place to engage with own workers and workers' representatives – Working conditions (S1-2) 4.3.1.5.3 Processes in place to engage with own workers and workers' representatives – Diversity, Equity and Inclusion (S1-2) 4.3.1.6.3 Processes in place to engage with own workers and workers' representatives – Training & skills development and talent attractiveness (S1-2) 4.3.1.7.3 Processes in place to engage with own workers and workers' representatives – Working rights and human rights (S1-2) 4.3.2.2.2 Engagement process with workers in the value chain (S2-2); 4.3.3.2.2 Engagement process – Noise management (S3-2) 4.3.4.3.2.2 Engagement process - Information and assistance to passengers for cancellations and delays (S4-2); 4.3.4.3.3.2 Engagement process - Access of services for passengers with disabilities (S4-2) 4.3.4.3.4.2 Engagement process - Data privacy and security (S4-2); 4.3.4.4.3 Engagement process – Safety and security of passengers (S4-2)
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	ESRS S1 S1-8 §60 (a) and §61	4.3.1.4.2 Policies – Working conditions (S1-1)
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESRS 2 BP-1 §AR 1 (a); IRO-1 §53 (b) ii to (b) iv	4.1.1.1 General basis for the preparation of the sustainability statement (BP-1) 4.1.4.1 Process to identify and assess material impacts, risks and opportunities (IRO-1)
GRI 3: Material Topics 2021	3-2 List of material topics	ESRS 2 SBM-3 §48 (a) and (g)	4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 3: Material Topics 2021	3-3 Management of material topics	ESRS 2 SBM-1§ 40 (e); SBM-3 §48 (c) i and (c) iv; MDR-P, MDR-A, MDR-M, and MDR-T; ESRS S1 S1-2 §27; S1-4 §39 and AR 40 (a); S1-5 §47 (b) to (c); ESRS S2 S2-2 §22; S2-4 §33, §AR 33 and §AR 36 (a); S2-5 §42 (b) to (c); ESRS S3 S3-2 §21; S3-4 §33, §AR 31, §AR 34 (a); S3-5 §42 (b) to (c); ESRS S4 S4-2 §20, S4-4 §31, §AR 30, and §AR 33 (a); S4-5 §41 (b) to (c) See below for additional linkages to specific topics.		4.1.2.1 Strategy, business model and value chain (ESRS2 SBM-1) 4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3) 4.3.1 Own workforce (ESRS S1) 4.3.2 Workers in the value chain (ESRS S2) 4.3.3 Affected communities – Noise management (ESRS S3) 4.3.4 Consumers and end-users (ESRS S4)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.		4.4.2 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	ESRS 2 SBM-3 §48 (a), and (d) to (e); ESRS E1 §18; E1-3 §26; E1-9 §64		4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3) 4.2.1 Climate change (ESRS E1) 4.2.1.3.5 Actions and resources – Climate change policies (E1-3)
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.		NA
GRI 201: Economic Performance 2016	201-4 Financial assistance received from government	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.		NA
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	ESRS S1 S1-10 §67-71 and §AR 72 to 73	(2b)	4.3.1.4.7 Metrics – Working conditions (S1-10, S1-16, S1-14)
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	“Communities” economic, social and cultural rights’ is a sustainability matter for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.		NA
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	“Communities” economic, social and cultural rights’ is a sustainability matter for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.		4.4.2 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	ESRS S1 S1-4 §AR 41; ESRS S2 S2-4 §AR 37; ESRS S3 S3-4 §AR 36		4.3.1.3.6 Action plans in place or planned – Social dialogue (S1-4) 4.3.1.4.6 Action plans in place or planned – Working conditions (S1-4) 4.3.1.5.6 Action plans in place or planned – Diversity, Equity and Inclusion (S1-4) 4.3.1.6.6 Action plans in place or planned – Training & skills development and talent attractiveness (S1-4) 4.3.1.7.6 Action plans in place or planned – Working rights and human rights (S1-4) 4.3.2.2.5 Action plans in place or planned – Workers in the value chain (S2-4) 4.3.3.2.5 Action plans in place or planned – Noise management (S3-4) 4.4.2 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)
GRI 204: Procurement Practices 2016	3-3 Management of material topics	ESRS G1 G1-2 §12		4.3.2 Workers in the value chain (ESRS S2)
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	"Communities" economic, social and cultural rights' is a sustainability matter for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.		4.4.2 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)
GRI 205: Anti-Corruption 2016	3-3 Management of material topics	ESRS G1 G1-1 §7; G1-3 §16 and §18 (a) and §24 (b)		4.4.1.1 Corporate culture (G1-1) 4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4)
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	ESRS G1 G1-3 §AR 5	(1b)	4.4.1.1 Corporate culture (G1-1) 4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4)
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	ESRS G1 G1-3 §20, §21 (b) and (c) and §AR 7 and 8	(1b)	4.4.1.1 Corporate culture (G1-1) 4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4) 4.4.1.4 Prevention of anti-competitive practices
GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	ESRS G1 G1-4 §25		4.4.1.1 Corporate culture (G1-1) 4.4.1.3 Prevention of corruption and bribery, protection of whistleblowers (G1-3, G1-4) 4.4.1.4 Prevention of anti-competitive practices
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices 207-1 Approach to tax	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.		4.4.1.4 Prevention of anti-competitive practices; 4.4.1.7 Tax strategy

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 207: Tax 2019	207-2 Tax governance, control, and risk management 207-3 Stakeholder engagement and management of concerns related to tax 207-4 Country-by-country reporting	These topics are not covered by the list of sustainability matters in ESRS 1 AR §16.		4.4.1.7 Tax strategy
GRI 301: Materials 2016	3-3 Management of material topics	ESRS E5 E5-1 §12; E5-2 §17; E5-3 §21		4.2.3 Resources use and circular economy (ESRS E5)
GRI 301: Materials 2016	301-1 Materials used by weight or volume	ESRS E5 E5-4 §31 (a)	(1a)	NA
GRI 301: Materials 2016	301-2 Recycled input materials used	ESRS E5 E5-4 §31 (c)		NA
GRI 301: Materials 2016	301-3 Reclaimed products and their packaging materials	"Resource outflows related to products and services" and "Waste" are sustainability matters for E5 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	4.2.3 Resources use and circular economy (ESRS E5)
GRI 302: Energy 2016	3-3 Management of material topics	ESRS E1 E1-2 §25 (c) to (d); E1-3 §26; E1-4 §33		4.2.1 Climate change (ESRS E1); 4.2.1.3.3 Policies – Climate change mitigation and adaptation (E1-2) 4.2.1.3.5 Actions and resources – Climate change policies (E1-3) 4.2.1.3.4 Targets – Climate change mitigation and adaptation (E1-4)
GRI 302: Energy 2016	302-1 Energy consumption within the organization (302-1-a, b, c, e and g)	ESRS E1 E1-5 §37; §38; §AR 32 (a), (c), (e) and (f)	(2b)	4.2.1.4 Indicateurs – Changement climatique (E1-5, E1-6, E1-7, E1-8)
GRI 302: Energy 2016	302-2 Energy consumption outside of the organization	"Energy" is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	4.2.1.4.2 Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)
GRI 302: Energy 2016	302-3 Energy intensity	ESRS E1 E1-5 §40 to §42		4.2.1.4 Indicateurs – Changement climatique (E1-5, E1-6, E1-7, E1-8)
GRI 302: Energy 2016	302-4 Reduction of energy consumption	"Energy" is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2a)	4.2.1.3.1 Transition plan for climate change mitigation (E1-1)
GRI 302: Energy 2016	302-5 Reductions in energy requirements of products and services	"Energy" is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2a)	NA
GRI 305: Emissions 2016	3-3 Management of material topics and GRI 305 1.2	ESRS E1 E1-2 §22; E1-3 §26; E1-4 §33 and §34 (b); E1-7 §56 (b) and §61 (c); ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20	(2a)	4.2.1 Climate change (ESRS E1); 4.2.2 Air pollution (ESRS E2)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (a); §46; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; AR §43 (c) to (d)		4.2.1 Climate change (ESRS E1)
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (b); §46; §49; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; §AR 45 (a), (c), (d), and (f)		4.2.1 Climate change (ESRS E1)
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (c); §51; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 46 (a) (i) to (k)		4.2.1 Climate change (ESRS E1)
GRI 305: Emissions 2016	305-4 GHG emissions intensity	ESRS E1 E1-6 §53; §54; §AR 39 (c); §AR 53 (a)	(1a)	4.2.1 Climate change (ESRS E1)
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions (305-5-a, c and 2.9.5)	ESRS E1 E1-3 §29 (b); E1-4 §34 (c); §AR 25 (b) and (c); E1-7 §56		4.2.1 Climate change (ESRS E1)
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	"Pollution of air" is a sustainability matter for E2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	NA
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	ESRS E2 E2-4 §28 (a); §30 (b) and (c); §31; §AR 21; §AR 26		4.2.2 Air pollution (ESRS E2)
GRI 306: Waste 2020	3-3 Management of material topics	ESRS E5 §AR 7 (a); E5-1 §12; E5-2 §17; E5-3 §21		4.2.3 Resources use and circular economy (ESRS E5)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	ESRS 2 SBM-3 §48 (a), (c) ii and iv; ESRS E5 E5-4 §30		4.2.3 Resources use and circular economy (ESRS E5)
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts (306-2-a and c)	ESRS E5 E5-2 §17 and §20 (e) and (f); E5-5 §40 and §AR 33 (c)		4.2.3 Resources use and circular economy (ESRS E5)
GRI 306: Waste 2020	306-3 Waste generated	ESRS E5 E5-5 §37 (a), §38 to §40	(1b)	4.2.3 Resources use and circular economy (ESRS E5)
GRI 306: Waste 2020	306-4 Waste diverted from disposal (306-4-a, b, c, e)	ESRS E5 E5-5 §37 (b), §38 and §40	(1b)	4.2.3 Resources use and circular economy (ESRS E5)
GRI 306: Waste 2020	306-5 Waste directed to disposal (306-5-a, b, c, e)	ESRS E5 E5-5 §37 (c), §38 and §40	(1a) (1b)	4.2.3 Resources use and circular economy (ESRS E5)
GRI 306: Effluents and Waste 2016	306-3 Significant spills	"Pollution of air", "Pollution of water", and "Pollution of soil" are sustainability matters for E2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.		4.2.2 Air pollution (ESRS E2)
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	ESRS G1 G1-2 §12 and §15 (a)		NA
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	ESRS G1 G1-2 §15 (b)	(1b)	NA

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken (308-2-c)	ESRS 2 SBM-3 §48 (c) i and iv		4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2) 4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3)
GRI 401: Employment 2016	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)		4.3.1 Own workforce (ESRS S1)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover (401-1-b)	ESRS S1 S1-6 §50 (c)	(1a)	4.3.1 Own workforce (ESRS S1)
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees (401-2-a-ii, a-iii, a-iv, a-v and b)	ESRS S1 S1-11 §74; §75; §AR 75		4.3.1 Own workforce (ESRS S1)
GRI 401: Employment 2016	401-3 Parental leave (401-3-a and b)	ESRS S1 S1-15 §93		4.3.1 Own workforce (ESRS S1)
GRI 402: Labor/Management Relations 2016	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)		4.3.1 Own workforce (ESRS S1)
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	"Social dialogue" and "Collective bargaining" are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.		NA
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)		4.3.1.4 Working conditions for Air France-KLM staff
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system (403-1-a)	ESRS S1 S1-1 §23	(1a)	4.3.1.4 Working conditions for Air France-KLM staff
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation (403-2-b)	ESRS S1 S1-3 §32 (b) and §33		4.3.1.4 Working conditions for Air France-KLM staff
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services 403-4 Worker participation, consultation, and communication on occupational health and safety 403-5 Worker training on occupational health and safety	"Health and safety" and "Training and skills development" are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	4.3.1.4 Working conditions for Air France-KLM staff

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	"Social protection" is a sustainability matter for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	4.3.1.4 Working conditions for Air France-KLM staff
GRI 403: Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESRS S2 S2-4 §32 (a)		4.3.1.4 Working conditions for Air France-KLM staff
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system (403-8-a and b)	ESRS S1 S1-14 §88 (a); §90	(2c)	4.3.1.4 Working conditions for Air France-KLM staff
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries (403-9-a-i, a-iii, b-i, b-iii, c-iii, d, e)	ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (c); §AR 82	(1a) (2c)	4.3.1.4 Working conditions for Air France-KLM staff
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health (403-10-a-i, a-ii, b-i, b-ii, c-iii)	ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (d); §89; §AR 82	(1a) (2c)	4.3.1.4 Working conditions for Air France-KLM staff
GRI 404: Training and Education 2016	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)		4.3.1.6 Training & skills development and talent attractiveness
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESRS S1 S1-13 §83 (b) and §84		4.3.1.6 Training & skills development and talent attractiveness
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs (404-2-a)	ESRS S1 S1-1 §AR 17 (h)		4.3.1.6 Training & skills development and talent attractiveness
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	ESRS S1 S1-13 §83 (a) and §84		4.3.1.6 Training & skills development and talent attractiveness
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)		4.3.1.5 Diversity, Equity and Inclusion
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	ESRS S1 §24 (a)		4.3.1.5 Diversity, Equity and Inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees (405-1-a-i and iii, 405-1-b)	ESRS 2 GOV-1 §21 (d); ESRS S1 S1-6 §50 (a); S1-9 §66 (a) to (b); S1-12 §79	(1a)	4.1.3.1 The role of the administrative, management and supervisory bodies (GOV-1); 4.3.1.5 Diversity, Equity and Inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	ESRS S1 S1-16 §97 and §98		4.3.1.5 Diversity, Equity and Inclusion
GRI 406: Non-discrimination 2016	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); §24 (a) and (d); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c); ESRS S4 §10 (b); S4-1 §13; §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b); §35; §AR 30; §AR 33 (a); S4-5 §38; §41 (b) and (c)		4.3.1 Own workforce (ESRS S1)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	ESRS S1 S1-17 §97, §103 (a), §AR 103		4.3.1 Own workforce (ESRS S1) 4.3.1.5 Diversity, Equity and Inclusion
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)		4.3.1 Own workforce (ESRS S1) 4.3.2 Workers in the value chain (ESRS S2)
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	"Freedom of association" and "Collective bargaining" are sustainability matters for S1 and S2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	4.3.1 Own workforce (ESRS S1) 4.3.2 Workers in the value chain (ESRS S2)
GRI 408: Child Labor 2016	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); §22; S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); §18; S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)		4.3.1.7 Working rights and human rights 4.3.2 Workers in the value chain (ESRS S2)
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor (408-1-a-i, b, c)	ESRS S1 §14 (g); S1-1 §22 ESRS S2 §11 (b); S2-1 §18	(2a)	4.3.1.7 Working rights and human rights 4.3.2 Workers in the value chain (ESRS S2)
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	ESRS S1 S1-1 §17; §20 (c); §22; S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); §18; S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)		4.3.1.7 Working rights and human rights 4.3.2 Workers in the value chain (ESRS S2)
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESRS S1 §14 (f); S1-1 §22 ESRS S2 §11 (b); S2-1 §18	(2a)	4.3.1.7 Working rights and human rights 4.3.2 Workers in the value chain (ESRS S2)
GRI 410: Security Practices 2016	3-3 Management of material topics	ESRS S3 §9 (b); S3-1 §12, and §16 (c); S3-2 §21; S3-4 §32 (a) to (d), §33 (a) and (b), §35, 36; §AR 31, §AR 34 (a); S3-5 §39, §43		4.3.3 Affected communities – Noise management (ESRS S3)
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	"Security-related impacts" is a sustainability matter covered for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	NA
GRI 411: Rights of Indigenous Peoples 2016	3-3 Management of material topics	ESRS S3 §9 (b); S3-1 §12, §15 and §16 (c); S3-2 §21; S3-4 §32 (a) to (d), §33 (a) and (b), §35, 36; §AR 31, §AR 34 (a); S3-5 §39, §43		NA
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	ESRS S3 S3-1 §16 (c), AR 12; S3-4 §30, §32 (b), §33 (b), §36	(1b)	NA
GRI 413: Local Communities 2016	3-3 Management of material topics	ESRS S3 §9 (b); S3-1 §12, and §16 (c); S3-2 §21; S3-4 §32 (a) to (d), §33 (a) and (b), §35, 36; §AR 31, §AR 34 (a); S3-5 §39, §43		4.3.3 Affected communities – Noise management (ESRS S3)
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	ESRS S3 S3-2 §19; S3-3 §25; S3-4 §AR 34 (c)	(1b)	4.3.3 Affected communities – Noise management (ESRS S3)

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities (413-2-a-ii)	ESRS 2 SBM-3 48 (c); ESRS S3 §9 (a) i and (b)		4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3) 4.3.3 Affected communities – Noise management (ESRS S3)
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	ESRS G1 G1-2 §12 and §15 (a)		NA
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	ESRS G1 G1-2 §15 (b)	(1b)	NA
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken (414-2-c)	ESRS 2 SBM-3 §48 (c) i and iv		4.1.2.2 Interest and views of stakeholders (ESRS2 SBM-2) 4.1.4.3 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 SBM-3)
GRI 415: Public Policy 2016	3-3 Management of material topics	ESRS G1 G1-5 §27		4.4.2 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)
GRI 415: Public Policy 2016	415-1 Political contributions	ESRS G1 G1-5 §29 (b)		4.4.2 Political Engagement & Lobbying Activities, Economic & Social Value of Air Transportation (G1-5)
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	ESRS S4 §10 (b); S4-1 §13, §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b), §35, §AR 30, §AR 33 (a); S4-5 §38, §41 (b) and (c)		4.3.4 Consumers and end-users (ESRS S4)
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	"Personal safety of consumers and end-users" is a sustainability matter for S4 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	4.3.4 Consumers and end-users (ESRS S4)
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	ESRS S4 S4-4 §35	(1b)	NA
GRI 417: Marketing and Labeling 2016	3-3 Management of material topics	ESRS S4 §10 (b); S4-1 §13, §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b), §35, §AR 30, §AR 33 (a); S4-5 §38, §41 (b) and (c)		NA
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	"Information-related impacts for consumers and end-users" is a sustainability matter for S4 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	(2b)	NA
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	ESRS S4 S4-4 §35	(1b)	NA

GRI Standards	GRI Disclosures and requirements	ESRS Disclosure requirements	Notes	Reference
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	ESRS S4 S4-4 §35	(1b)	NA
GRI 418: Customer Privacy 2016	3-3 Management of material topics	ESRS S4 §10 (b); S4-1 §13 and §16 (c); S4-2 §20; S4-4 §31, §32 (a) and (b), §35, §AR 30, §AR 33 (a); S4-5 §38, §41 (b) and (c)		4.3.4 Consumers and end-users (ESRS S4)
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESRS S4 S4-3 §AR 23; S4-4 §35	(1a)	4.3.4 Consumers and end-users (ESRS S4)

Notes legend

(1a) Differences in granularity: GRI requires further breakdowns or granularity.

(1b) Differences in data type: GRI requires quantitative disclosure and ESRS requires qualitative disclosure.

(2a) Differences in scope: GRI disclosure is broader and/or more specific than ESRS.

(2b) Differences in scope: GRI and ESRS disclosures have the same disclosure objective but differ in how data points are formulated.

(2c) Differences in scope: GRI 403 covers employees and workers who are not employees but whose work and/or workplace is controlled by the organization. ESRS S1-14 covers employees and non-employee workers (people with contracts with the undertaking to supply labour ("self-employed people") or people provided by undertakings primarily engaged in "employment activities" (NACE code N78)). For fatalities, ESRS S1-14 covers workers working on the undertaking's sites.

(3) Difference in definition of non-employees: GRI 2-8 covers workers who are not employees and whose work is controlled by the organization. ESRS S1-7 covers non-employee workers (people with contracts with the undertaking to supply labour ("self-employed people") or people provided by undertakings primarily engaged in "employment activities" (NACE code N78)).

4.6 AUDITORS REPORT ON THE CERTIFICATION OF SUSTAINABILITY INFORMATION

This is a translation into English of the Statutory Auditors report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on "Limited assurance engagement – Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852".

Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852, for the year ended December 31, 2024

To the Annual General Meeting of Air France-KLM S.A.,

This report is issued in our capacity as Statutory Auditors of Air France-KLM. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 and included in sections 4.1 to 4.5 of the group management report (hereinafter the "Sustainability Statement").

Pursuant to Article L. 233-28-4 of the French Commercial Code, Air France-KLM is required to include the above mentioned information in a separate section of the group management report. This information has been prepared in the context of the first time application of the aforementioned articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. It enables an understanding of the impact of the activity of the group on sustainability matters, as well as the way in which these matters influence the development of the business of the Group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 paragraph II of the aforementioned Code our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by Air France-KLM to determine the information reported;
- compliance of the sustainability information included in the Sustainability Statement with the requirements of L. 233-28-4 of the French Commercial Code, including ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on "Limited assurance engagement – Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852".

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by Air France-KLM in the Group management report, we have included an emphasis of matter paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantee regarding the viability or the quality of the management of Air France-KLM, in particular it does not provide an assessment, of the relevance of the choices made by Air France-KLM in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the Group management report are not covered by our engagement.

Compliance with the ESRS of the process implemented by Air France-KLM to determine the information reported

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by Air France-KLM has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that lead to the publication of information disclosed in the Sustainability Statement, and
- the information provided on this process also complies with the ESRS.

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by Air France-KLM with the ESRS.

Elements that received particular attention

We set out below the elements that have been the subject of particular attention in relation to our assessment of compliance with the ESRS of the process implemented by Air France-KLM to determine the information reported.

- Concerning the identification of stakeholders

Information on the identification of stakeholders is set out in section 4.1.2.2. "Interest and views of stakeholders" of the Sustainability Statement.

We have inquired with management and other relevant individuals deemed appropriate and have reviewed the available documentation. Our procedures specifically included:

- assessing the consistency of the key stakeholders identified by the Group with the nature of its activities and geographical presence, taking into account its business relationships and value chain;
- exercising professional skepticism to evaluate the representativeness of the stakeholders identified by Air France-KLM;
- assessing the appropriateness of the description provided in section 4.1.2.2 "Interest and views of stakeholders (ESRS 2 SBM-2)."

- Concerning the identification of impacts, risks and opportunities

Information on the identification of impacts, risks and opportunities is provided in section 4.1.4 "Impacts, risks and opportunity management" of the Sustainability Statement.

We have reviewed the process implemented by the Group for identifying impacts (negative or positive), risks, and opportunities ("IRO"), whether actual or potential, in relation to the sustainability matters mentioned in paragraph AR 16 of the "Application Requirements" of the ESRS 1 standard, as well as, where applicable, those specific to the Group, as presented in section 4.1.4.1 "Process to identify and assess material

impacts, risks and opportunities (IRO-1)" of the Sustainability Statement.

In particular, we have assessed the approach adopted by the Group to determine its impacts and dependencies, which may give rise to risks or opportunities.

We have reviewed the table of identified IROs, which includes a description of their distribution across the Group's own activities and its value chain, as well as their time horizon (short, medium, or long term). We have also assessed the consistency of this table with our knowledge of the Group and with the risk analyses conducted by the Group.

We have:

- assessed how the Group has considered the list of sustainability topics enumerated in the ESRS 1 standard (AR16) in its analysis;
 - evaluated the consistency of the identified actual and potential impacts, risks, and opportunities with our knowledge of the Group and the available sector analyses;
 - reviewed how the Group has taken into account different time horizons, particularly regarding climate-related issues;
 - assessed whether the Group has considered risks and opportunities arising from both past and future events due to its own activities or business relationships, including the actions undertaken to manage certain impacts or risks.
- Concerning the assessment of impact materiality and financial materiality

Information on the assessment of impact materiality and financial materiality is provided in section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)" of the Sustainability Statement.

We have reviewed, through interviews with management and inspection of available documentation, the process implemented by the Group for assessing impact materiality and financial materiality, and evaluated its compliance with the criteria defined by ESRS 1.

In particular, we have assessed how the Group has established and applied the materiality criteria for information as defined by the ESRS 1 standard, including those related to threshold setting, to determine the material information disclosed in relation to the indicators concerning the material IROs identified in accordance with the relevant ESRS thematic standards.

Compliance of the sustainability information included in the Sustainability Statement with the requirements of Article L.233-28-4 of the French Commercial Code, including the ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in the

Sustainability Statement, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;

- the presentation of this information ensures its readability and understandability;
- the scope chosen by Air France-KLM for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, that this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Sustainability Statement, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Elements that received particular attention

Information reported in relation to climate change (ESRS 1) is mentioned in section 4.2.1 "Climate change (ESRS E1) of the Sustainability Statement.

We set out below the elements that have been the subject of particular attention in relation to our assessment of the compliance of this information with the ESRS.

Our work consisted primarily of:

- assessing, through interviews conducted with management and relevant individuals, whether the description of the policies, actions, and targets implemented by the Group covers the following areas: climate change mitigation, climate change adaptation, and energy efficiency;
- evaluating the appropriateness of the information presented in section 4.2 "Environmental Information" of the Group management report and its overall consistency with our knowledge of the Group.

Regarding the information published on the greenhouse gas (GHG) emissions inventory, our work consisted of:

- reviewing the internal control and risk management procedures implemented by the Group to ensure the compliance of the published information;
- assessing the consistency of the scope considered for the greenhouse gas emissions inventory with the scope of the consolidated financial statements and the upstream and downstream value chain;
- reviewing the protocol used by the Group to establish the greenhouse gas emissions inventory and evaluating its application methods, particularly for scope 1 and scope 3 category 3, related to activities in the fuel and energy sectors;
- evaluating the appropriateness of the emission factors used and the related conversion calculations, as well as the calculation assumptions, considering the inherent uncertainty in the current state of scientific or economic knowledge and the quality of the external data used;

- reconciling, based on sampling, the physical data (such as kerosene consumption and SAF – Sustainable Aviation Fuel, an alternative to conventional fossil-based aviation fuel) with the underlying data used to prepare the greenhouse gas emissions inventory and supporting documentation;
- verifying the accuracy of the calculations used to establish the reported information.

Regarding the verifications related to the Transition Plan for climate change mitigation, our work primarily consisted of:

- assessing, with the assistance of our climate experts, whether the information published regarding the Transition Plan complies with the requirements of ESRS E1 and appropriately describes the key underlying assumptions of this plan, noting that we are not required to express an opinion on the appropriateness or ambition level of the Transition Plan's objectives;
- evaluating whether this Transition Plan reflects the commitments made by the Group and aligns with the strategic plan and the five-year plan approved by the Board of Directors;
- assessing the internal consistency of the key information provided in the Transition Plan, particularly regarding the financial information related to the Group's investments, financing, and decarbonization levers;
- evaluating the consistency of the various scenarios analyzed by management to estimate absolute CO₂ emissions for 2030 (for scope 1 and scope 3, category 3) in comparison with the 2019 CO₂ emissions baseline (for scope 1 and scope 3, category 3).

Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by Air France-KLM to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the information provided in the paragraph "Pollution Prevention and Control – Compliance with Annex C of Regulation (EU) 2020/852" within section 4.2.4.5 "Alignment – Methodology for the evaluation of activities with respect to the Do No Significant Harm (DNSH) Criteria" of the Sustainability Statement concerning the assessment of compliance with the DNSH Pollution, which highlights the complexity of European regulations on polluting substances and the uncertainties in Regulation (EU) 2020/852 regarding the application of exemptions that Air France-KLM benefits from for the use of some of these substances.

Elements that received particular attention

We set out below the elements that have been the subject of particular attention regarding the compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

■ Concerning the alignment of eligible activities

Information on eligible activities is provided in section 4.2.4.4. "Alignment - Methodology for the Evaluation of Activities and the Construction of KPIs with Regard to Substantial Contribution (SC)" of the Sustainability Statement.

As part of our verifications, we specifically:

- assessed the choices made by the Group regarding the consideration of European Commission communications on the interpretation and implementation of certain provisions of the Taxonomy Framework;
- reviewed, on a sampling basis, the documentary sources used, including external sources where applicable, and conducted interviews with relevant individuals;

- evaluated the analyses carried out by the Group, on which management based its judgment to determine whether eligible economic activities meet the cumulative conditions set out in the Taxonomy Framework to be classified as aligned, particularly regarding the technical screening criteria;
- assessed the validity of the analysis conducted to ensure compliance with minimum safeguards, primarily based on the information gathered as part of our understanding of the entity and its environment.

■ Concerning key performance indicators

The key performance indicators are set out in the paragraph "Results" within section 4.2.4 "The European Taxonomy" of the Sustainability Statement.

- Regarding the totals for revenue, CapEx, and OpEx (the denominators) presented in the regulatory tables, we verified the reconciliations performed by the Group with the accounting data used as the basis for the preparation of the financial statements and/or accounting data, such as management accounting or internal reporting statements.
- Regarding the other amounts comprising the various indicators for eligible and/or aligned activities (the numerators), we assessed these amounts for activities 6.19 "Passenger and Freight Air Transport" and 3.21 "Aircraft Maintenance".
- Finally, we evaluated the consistency of the information presented in section 4.2.4 "The European Taxonomy" of the Sustainability Statement with the other sustainability-related information in this Statement.

The Statutory Auditors

Paris La Défense, March 7, 2025

KPMG S.A.

Valérie Besson
Partner

Éric Dupré
Partner

Philippe Vincent
Partner

Neuilly-sur-Seine, March 7, 2025

PricewaterhouseCoopers Audit

Amélie Jeudi de Grissac
Partner

The following disclosure is prepared in accordance with the Monitoring Act No. 2017-399 ("Duty of Vigilance Law") and is not part of the Sustainability Statement.

4.7 MONITORING OF ACT NO. 2017-399 KNOWN AS THE DUTY OF VIGILANCE LAW

Background and commitments

Air France-KLM is subject to the obligations introduced by the French Act No. 2017-399 of March 27, 2017, relating to the duty of vigilance for parent companies and ordering companies ("Duty of Vigilance Act").

In response to these regulatory requirements, Air France-KLM has implemented a vigilance plan, it being understood that Air France-KLM already had processes in place enabling it to comply with the main requirements of the Duty of Vigilance Act before the entry into force of such act.

Air France-KLM has been a signatory of the United Nations Global Compact since 2003 and is committed to respecting and promoting its ten Principles notably in the areas of human rights and protection of the environment. This undertaking is reaffirmed each year by Air France-KLM's Top Management and promoted toward our business partners.

The Group's policy also enshrines the respect of fundamental rights as established in the leading international principles: the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and the OECD guiding principles, notably on due diligence.

Risk identification and regular risk evaluation procedures

Methodology

The identification and evaluation of the various risks to be addressed as part of the duty of vigilance plan are part of the overall risk management process established within the Group. Please refer to Chapter 3 "Risks and risk management".

As a facilitator of risk management, the Air France-KLM Internal Audit team regularly evaluates the risk management process, and its conclusions are the subject of presentations to the Air France-KLM Executive Committee and the Audit Committee.

Under the supervision of the Internal Audit team, twice a year, Air France-KLM conducts a review of the non-financial risks generated by its activities with representatives of all divisions involved. This includes risks to be addressed as part of the duty of vigilance.

This analysis verifies any evolution in the likelihood and impact of identified risks compared to the previous semester and the adequacy, comprehensiveness, and efficiency of the measures and action plans aimed at the effective prevention, control, and mitigation of the non-financial risks deemed to be the most material for Air France-KLM (for more information, please refer to Chapter 3 "Risks and risk management" and section 4.1.2.2 "Interest and views of stakeholders (ESRS2 SBM-2)").

In particular, having established verification processes in the areas required to be covered by the vigilance plan, the Group has ensured that it is in a position to benefit, as effectively as possible, from the contributions of its various divisions/entities involved in the deployment of the vigilance plan through the organization (i.e., compliance, procurement, HR, and sustainability teams).

As required by the Duty of Vigilance Act, Air France-KLM has also implemented measures concerning its supply chain.

The identification and assessment of risks within the supply chain are part of the Air France-KLM Group's overall sub-contracting management system, which covers all risk areas (financial and non-financial, including the environment, human and social rights, and ethical business conduct).

Risks related to the supply chain are identified, assessed, and mitigated through a due diligence process. A risk classification of suppliers and service providers is performed by the Air France-KLM Group Procurement team mainly based on geographical risk and industry sector risk known for issues and incidents in environmental, social, and human rights matters. The level of risk associated with categories of suppliers and service providers will trigger some enhanced due diligence process (see the "Supply chain" section below).

Such measures are complemented by compliance monitoring and supervisory actions such as audits, inspections, and checks carried out internally by the sub-contractors themselves, where appropriate, or with external providers (as part of the EcoVadis assessment on social and human rights, the environment, and responsible procurement).

Involvement of relevant stakeholders

The Air France-KLM Group has created a map of its relevant stakeholders for its activities, which enables it to determine the ones that are relevant for the design and performance of its vigilance plan (for more information, please see section 4.1.2.2 "Interest and views of stakeholders (ESRS2 SBM-2)").

Several processes enable the Air France-KLM Group to regularly evaluate the perception of its stakeholders in respect of risks applicable to or generated by its activities. For instance, the Air France-KLM Group updates on a regular basis a materiality matrix to identify and assess non-financial risks (including ESG-related topics) to determine and adapt its strategy and actions for these matters. This matrix is done through interviews of internal and external stakeholders, internal stakeholder workshops, and a survey of external customers to get a complete overview of the impact of activities on ESG matters (for more information, see section 4.1.4.1 "Process to identify and assess material impacts, risks and opportunities (IRO-1)").

The comparison of the results with previous analysis provided confirmation of the relevance of the Air France-KLM Group's strategic choices in light of the issues deemed to be priorities for its activities and the expectations of its stakeholders.

The Group also has several feedback channels in place enabling stakeholders (particularly employees, customers, and local residents around airports) to communicate any complaints, thus enabling the Group to identify matters of concern and risks and take them into account in its strategy and policies (for more information, see section 4.1.2.2 "Interest and views of stakeholders (ESRS2 SBM-2)").

Concerning the involvement of actors in the supply chain, the Air France-KLM Procurement department aims to work with suppliers as sustainable business partners based on mutual trust and collaboration and to promote responsible procurement standards and drive innovation and development. As an example, Air France-KLM has been part of the Carbon Disclosure Project Climate Module Assessment, where a selected group of the 108 of the highest greenhouse gas-emitting suppliers have been asked to complete a climate module assessment to help Air France-KLM better understand its suppliers' environmental impact and identify areas where the Air France-KLM Group and its suppliers can work together to reduce the carbon footprint.

Eventually, the involvement of stakeholders is not limited to the identification of risks to be addressed through the duty-of-vigilance plan, but it is also used in the development of mitigating actions. For instance, Air France-KLM has participated in initiatives launched by professional associations and public actors to release communication campaigns against violence toward women and sexual tourism before and during the 2024 Paris Olympic and Paralympic Games, as this type of event provides the right timing for a warning to a large audience about the risk of these types of human rights violations.

Measures deployed to prevent and mitigate risks; monitoring mechanisms

Social and human rights and fundamental liberties

Within the organization, the risk factors to be addressed relate notably to discrimination, harassment, working conditions, gender equality and fair remuneration, freedom of association, collective bargaining, and social dialogue. For more information, see section 4.3 "Social Information".

The Group undertakes to comply with applicable labor legislation to ensure a safe and inclusive work environment, and with national collective agreements to respect the exercise of trade union rights.

Within its organization, the Group delegates to its subsidiaries the responsibility of respecting and promoting the content of these commitments locally, in compliance with the national provisions and legislation specific to each country.

The main measures implemented internally to mitigate risks related to social and human rights include:

- communication campaigns implemented through several channels: messages to employees, articles in the internal newsletter, or videos on the intranets;
- training campaigns: based on the identified risks, e-learning are launched for a targeted panel of employees for which completion is mandatory. In 2024, e-learning on the promotion of diversity, the fight against discrimination (with a focus on the recruitment process), and the fight against harassment and the prevention of sexism were available to employees on the internal training platform;
- commitment undertaken to achieve gender equality (signature of specific internal agreements);
- network of persons dedicated to providing guidance on harassment situations in divisions;
- events organized internally to promote diversity and inclusion.

Within the supply chain, the main risks to be addressed relate notably to discrimination, harassment, working conditions, forced labor and child labor, illegal employment, and own supply chain management of Tier 1 suppliers (see 4.3.2 "Workers in the value chain (ESRS S2)").

Mitigation actions consist of promoting our values regarding social and human rights to our business partners and requesting adherence to certain standards that are subject to regular controls (see the supply chain section below for information on due diligence and mitigating measures).

In addition, Air France and KLM support initiatives enabling skills development, the vocational integration of young people, and the social inclusion of vulnerable individuals. This also includes promoting access to training that leads to professions in the airline industry, through numerous associations and educational programs for young people.

The Air France Group also promotes gender diversity externally and combats stereotypes in technical aviation careers by supporting initiatives aimed at promoting gender balance. This is demonstrated through the "Feminizing the aeronautics and space professions" charter and the "*Elles bougent*" association. For more information, please see section 4.3.1.5 "Diversity, Equity and Inclusion".

Air France and KLM continue to support workers with disabilities by using companies in the sheltered and adapted sector for multiple projects (e.g., the upkeep of green spaces at some sites, shipment of packages of uniforms, packaging of headphones used on board, laundering of on-board linens) and by entrusting them with critical services (four sheltered sector suppliers work with the Air France-KLM IT department). For more information, please see section 4.3.4.3.3 "Access to services for passengers with disabilities".

Health and safety

For Air France-KLM, the health and safety of both customers and staff is an absolute priority.

Flight safety is key to retaining the trust of customers and imperative for the long-term viability of Air France-KLM operations.

All the Group's operations are the subject of multiple checks and certifications, and comply with extremely strict norms and the highest standards in the industry. Each airline of the Group deploys a Safety Management System, which is integral to their business organizations, processes, and corporate cultures. (For more information, please refer to Chapter 3 "Risks and risk management" and sections 4.3.1.4 "Working conditions for Air France-KLM staff" and 4.3.4.4 "Operational Safety & Security of Air Transportation (S4-1, S4-2, S4-3, S4-5, S4-4)".)

Safeguarding health and safety in the workplace is also a priority to which Air France-KLM responds by preventing occupational risks and improving the quality of life in the workplace. (For more information, please refer to section 4.3.1.4 "Working conditions for Air France-KLM staff".) As part of the mitigating measures, trainings are implemented (such as e-learning on security for managers), and audits are performed.

Environment

The identified risks mainly relate to climate change, air quality, noise, and waste management (see section 4.2 "Environmental information").

Risks are addressed through the Group Transition Plan, which sets forth the Group's strategy and main priorities in terms of reducing its impact on climate change.

The Air France and KLM Environmental Management Systems (EMSs) aim to prevent and mitigate the environmental impacts of their operations. These Environmental Management Systems have ISO 14001 certification, and internal and external audits enable the verification of their effective deployment.

Awareness campaigns are launched within the Group to ensure that the employees understand and take into account the risks associated with climate change. E-learning materials as part of Climate School project within Air France have been deployed in 2024 to executives and managers and are to be opened to all employees in 2025 as a second phase. This training program is compulsory and elaborates on the specific risks and challenges for the aviation industry and the strategy implemented by the Air France-KLM Group for environmental transition. Please find more information in section 4.2.1 "Climate change (ESRS E1)".

Air France-KLM also launches initiatives with partners to mitigate the impact of the aviation sector on the environment. (For more information, please see section 4.1.2.2 "Interest and views of stakeholders (ESRS2 SBM-2)".)

Supply chain

As a major purchaser of a wide range of products and services, the Air France-KLM Group integrates ethical and sustainability criteria into its supply chain by sourcing products and services that minimize its environmental footprint and create societal value.

Concerning the business relationships with its sub-contractors and suppliers, Air France-KLM ensures that the fundamental human and social rights and environmental protection principles are properly addressed everywhere in the world, irrespective of the place of their registration and operations.

The third-party due diligence process in place within its organization has been strengthened in 2024 to apply to new suppliers and service providers entering into a business relationship and deployed for the existing portfolio at the beginning of 2025. This due diligence process includes screening and due diligence that takes into account adverse media and appearances on sanctions lists that can be related to human rights incidents.

In addition, the supplier selection process also includes an assessment to respond to the duty of vigilance requirements.